Calendar No. 475

97TH CONGRESS
2d Session

SENATE

REPORT
No. 97-330

DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 1983 AND SUPPLEMENTAL AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 1982

REPORT

[To accompany S. 2248]

ON

AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 1983 FOR PROCUREMENT, FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AND FOR OPERATION AND MAINTENANCE FOR THE ARMED FORCES, TO PRESCRIBE PERSONNEL STRENGTHS FOR THE ARMED FORCES AND FOR CIVILIAN PERSONNEL OF THE DEPARTMENT OF DEFENSE, AND FOR OTHER PURPOSES

together with

ADDITIONAL VIEWS

COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

APRIL 13, 1982—Ordered to be printed

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AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 1983 FOR PROCUREMENT, FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AND FOR OPERATION AND MAINTENANCE FOR THE ARMED FORCES, TO PRESCRIBE PERSONNEL STRENGTHS FOR THE ARMED FORCES AND FOR CIVILIAN PERSONNEL OF THE DEPARTMENT OF DEFENSE, AND FOR OTHER PURPOSES

APRIL 13, 1982.—Ordered to be printed

Mr. TOWER, from the Committee on Armed Services, submitted the following

REPORT

together with

ADDITIONAL VIEWS

[To accompany S. 2248]

The Committee on Armed Services, to which was referred the bill (S. 2248) to authorize appropriations during the fiscal year 1983 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, and operation and maintenance for the Armed Forces, for civil defense, and to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and the military training student loads, and for other purposes, having considered the same, reports favorably thereon with an amendment in the nature of a substitute to the text of the bill and recommends that the bill as amended do pass.

COMMITTEE AMENDMENT IN THE FORM OF A SUBSTITUTE

The committee amended the bill by striking all after the enacting clause and substituting a new bill reflecting changes as recommended by the Committee on Armed Services.

PURPOSE OF THE BILL

This bill would for fiscal year 1983:

(1) authorize appropriations for (a) major procurement, (b) research, development, test and evaluation by the Department of Defense, (c) operation and maintenance, and (d) civil defense;

(2) authorize the personnel end strength for each military active duty component of the Armed Forces;

(3) authorize the personnel average strengths for the Selected Reserve of each of the Reserve components of the Armed Forces;

(4) authorize civilian end strengths for each military department of the Department of Defense;

(5) authorize the annual average military training student load for each of the active and reserve components of the Armed Forces;

(6) impose certain reporting requirements;

(7) impose certain limitations with regard to specific procurement and R.D.T. & E. actions and manpower strengths; provide certain additional legislative authority, make certain changes to existing law, and for other purposes.

This bill also authorizes supplemental appropriations for fiscal year 1982 procurement, R.D.T. & E., and operation and maintenance.

The committee has prepared a report which discusses certain classified programs. This report is available to Members at the committee's offices.

BUDGET WAIVER RESOLUTION

The committee reported a budget waiver resolution, in order to comply with the requirement of the Congressional Budget Act (sec. 402 (a)) that all bills authorizing new budget authority be reported by May 15 preceding the fiscal year involved. In that the Department of Defense Supplemental Authorization Request for Fiscal Year 1982 was not referred to this committee until March 22, 1982, the committee was unable to report the bill by May 15, 1981.

OVERALL BUDGET IMPACT OF COMMITTEE BILL

The budget request for the National Defense function of the Federal budget for fiscal year 1983 is for $263.0 billion in budget authority. Of this total, $183.452 billion is requested for authorization of funds for procurement, research and development, operation and maintenance, and civil defense.

The bill as reported by the committee includes a recommended amount of $180.286 billion for procurement, research and development, operation and maintenance, and civil defense, a decrease of $3.166 billion below the President's request. Changes in manpower strengths recommended in the bill will result in a decrease of $106 million below the President's request.

The net impact of the bill is, therefore, $3.272 billion below the President's request.

BUDGET IMPACT OF COMMITTEE BILL

	Millions
Funds authorized for procurement, R.D.T. & E., operation and maintenance, and civil defense	—$3,166
Fund impact of manpower authorization	—106
Total budget impact	—3,272

An overall summary of the funding and manpower provisions of the bill are as follows:

SUMMARY OF FUNDS AND MANPOWER AUTHORIZED IN COMMITTEE BILL

[Dollar amounts in millions; years are fiscal years; totals may not add due to rounding]

	1982 authorization [1]	1982 supplemental request [1]	1983 request	Change from request	Committee recommendation
Procurement	[2] $48,001	$608	$89,547	—$2,269	$87,278
Research, development, test, and evaluation	[3] 20,405	57	[4] 24,260	—454	[4] 23,806
Operation and maintenance	62,162	786	69,392	—535	69,057
Civil defense	129		252	—108	144
Total funds authorized	130,697	1,451	183,452	—3,166	180,286
Manpower (in thousands):					
Active duty	2,108	4	2,148	—11	2,137
Selected Reserve	927		988		988
Civilian	1,025		1,036	—11	1,024
Total manpower authorized	4,060	4	4,171	—22	4,149

[1] Does not reflect fiscal year 1982 supplemental authorization request for procurement, research, development, test, and evaluation, and operation and maintenance in the amount of $1,451,800,000 and for manpower totaling 4,100; refer to title IX for summary of committee action on supplemental request.

[2] Does not reflect funds appropriated in fiscal year 1982 for ammunition and other procurement for which authorization was not required prior to fiscal year 1983.

[3] Includes $3,083,000 in special foreign currency.

[4] Includes $3,600,000 in special foreign currency.

SUMMARY OF FUNDS RECOMMENDED FOR AUTHORIZATION

[Dollar amounts in thousands; years are fiscal years]

	1982 revised current program [1]	1983 request	Committee	
			Change from request	Recommendation
Procurement:				
Army:				
Aircraft	$1,936,100	$2,745,914	−959,000	$1,786,914
Missiles	2,155,200	2,846,600		2,846,600
Weapons and tracked combat vehicles	3,876,300	5,030,685	−14,400	5,016,285
Ammunition	(2)	2,633,384	+100,000	2,733,384
Other procurement	(2)	4,567,491	−2,500	4,564,991
Army National Guard equipment	50,000	0	+50,000	50,000
Army Reserve equipment	0	0	+30,000	30,000
Total, Army procurement	8,017,600	17,824,074	−795,900	17,028,174
Navy:				
Aircraft	9,140,000	11,582,300	+35,500	11,617,800
Weapons	3,215,100	3,901,600	−400	3,901,200
Shipbuilding and conversion	8,638,900	18,648,300		18,648,300
Other procurement	(2)	3,970,156	−1,000	3,969,156
Navy Reserve equipment	0	0	+30,000	30,000
Total, Navy procurement	20,994,000	38,102,356	+64,100	38,166,456
Marine Corps:				
Ammunition	(2)	630,200	−100,000	530,200
Weapons and tracked combat vehicles	637,924	749,900	−2,000	747,900
Other procurement	(2)	920,600		920,600
Marine Corps Reserve equipment	0	0	+30,000	30,000
Total, Marine Corps procurement	637,924	2,300,700	−72,000	2,228,700
Air Force:				
Aircraft	13,802,798	17,756,700	+36,200	17,792,900
Missiles	4,575,950	6,827,900	−1,457,100	5,370,800
Other procurement	(2)	5,845,200	−92,100	5,753,100
Air Force Reserve equipment	0	0	+30,000	30,000
Air National Guard equipment	0	0	+30,000	30,000
Total, Air Force procurement	18,376,748	30,429,800	−1,453,000	28,976,800
Defense agencies procurement	(2)	890,284	−12,100	878,184
Total, procurement	48,026,272	89,547,214	−2,268,900	87,278,314
Research, development, test, and evaluation:				
Army	3,609,535	4,484,000	−28,659	4,455,341
Navy (including Marine Corps)	[3] 5,810,214	[4] 6,235,316	+67,582	[4] 6,302,898
Air Force	8,819,310	11,220,400	−474,857	10,745,543
Defense agencies	1,697,646	[5] 2,260,684	−18,500	[5] 2,242,184
Director, test and evaluation	53,600	60,000		60,000
Total, R.D.T. & E	19,989,705	24,260,400	−454,434	23,805,966
Operation and maintenance:				
Army	16,695,142	18,638,775	+135,500	18,774,275
Navy (including Marine Corps)	21,149,468	24,349,015	−57,500	24,291,515
Air Force	18,336,191	20,472,800	−378,500	20,094,300
Defensewide activities	5,156,354	5,931,110	−34,200	5,896,910
Total, O. & M	61,337,155	69,391,700	−334,700	69,057,000
Total, procurement, R.D.T. & E., and O. & M	129,353,132	183,199,314	−3,058,034	180,141,280
Civil defense	129,000	252,340	−107,810	144,530
Grand total, authorization bill	129,482,132	183,451,654	−3,165,844	180,285,810

[1] Does not reflect supplemental authorization requested for fiscal year 1982 in the amount of $1,451,800,000; refer to title IX for summary of committee action on supplemental request.
[2] Prior to fiscal year 1983 authorization was not required for ammunition and other procurement.
[3] Includes $3,08[illegible]000 in special foreign currency.
[4] Includes $3,016,000 in special foreign currency.
[5] Includes $784,000 in special foreign currency.

SUMMARY OF RECOMMENDED MANPOWER AUTHORIZATION

The table below shows the changes from the requested strengths for each active, reserve, and civilian component recommended by the committee:

ACTIVE DUTY MANPOWER, FISCAL YEAR 1983

[End strengths in thousands]

	Fiscal year 1983 request	Recommendation	Change from request
Army	783.8	783.8	0
Navy	569.2	564.2	−5.0
Marine Corps	194.6	194.6	0
Air Force	600.0	594.5	−5.5
Total	2,147.6	2,137.1	−10.5

SELECTED RESERVE PERSONNEL, FISCAL YEAR 1983

[Average strengths in thousands]

	Fiscal year 1983 request	Recommendation	Change from request
Army National Guard	407.4	407.4	0
Army Reserve	258.7	258.7	0
Naval Reserve	105.5	105.5	0
Marine Corps Reserve	38.3	38.3	0
Air National Guard	101.1	101.1	0
Air Force Reserve	66.0	66.0	0
Coast Guard Reserve	10.7	10.7	0
Total	987.7	987.7	0

CIVILIAN PERSONNEL, FISCAL YEAR 1983

[End strengths in thousands]

	Fiscal year 1983 request	Recommendation	Change from request
Army	386.4	378.0	−8.4
Navy/Marine Corps	320.6	320.6	0
Air Force	242.8	242.8	0
Defense Agencies	85.6	83.0	−2.6
Total	1,035.5	1,024.4	−11.0

Note: Totals may not add due to rounding.

HIGHLIGHTS OF COMMITTEE ACTION

The committee recommends a total of $180,285,810,000 to be authorized for procurement, research and development, operation and maintenance, and civil defense for fiscal year 1983. The amount recommended is a decrease of $3,165,844,000 from the request.

PROCUREMENT CHANGES

Deferral of Production of AH–64 Helicopter

Reduction of $803.8 million for procurement of 48 AH–64 attack helicopters and deferral of production for one year.

Deletion of 8 A–6E Aircraft

Reduction of $242.7 million for the procurement of 8 A–6E medium attack aircraft.

Addition of 6 EA–6B Aircraft

Addition of $204.5 million for the procurement of 6 additional EA–6B electronic countermeasures aircraft.

Addition of Long Lead Funds for F/A–18 Aircraft

Addition of $35.5 million for the procurement of 12 additional F/A–18 fighter aircraft in fiscal year 1984.

Deletion of 20 A–10 Aircraft

Deletion of $324.3 million for the procurement of 20 A–10 attack aircraft.

Addition of 6 F–15 Aircraft

Addition of $108.4 million for the procurement of 6 additional F–15 fighter aircraft.

Addition of Long Lead Funds for F–16 Aircraft

Addition of $167.3 million for the procurement of 60 additional F–16 fighter aircraft in fiscal years 1984 and 1985.

Reduction in Funds for IIR Maverick

Reduction of $97.7 million for the procurement of IIR Maverick missiles.

Deletion of Funds for European Distribution System Aircraft (EDSA)

Deletion of $5 million for 2 European Distribution System Aircraft (EDSA) for the Air Force.

Addition of Funds for KC–10A Aircraft

Addition of $4.9 million for procurement of KC–10A's for the Air Force.

Reduction of Funds for KC–10A Initial Spares

Reduction of $11 million for KC–10A initial spares for the Air Force.

Addition of Funds to Reengine 28 KC–135 Aircraft

Addition of $115 million to reengine 28 KC–135 aircraft with JT–3D engines.

Addition of Funds for Titan Missiles

Addition of $73.8 million to retain the 52 Titan missiles.

Deletion of Funds for MX Missiles

Deletion of $1,497.1 million requested to procure 9 MX missiles and initial spares.

Reduction in Funds for the Defense Satellite Communications System

Reduction of $25 million for procurement of the Defense Satellite Communications System.

RESEARCH AND DEVELOPMENT CHANGES

Deletion of R. & D. Funds for Battlefield Data Systems

Deletion of $29.8 million for development of battlefield data systems.

Addition of R. & D. Funds for F/A–18 FLIR

Addition of $22 million to modify F/A–18 FLIR to compete for production with Air Force LANTIRN system.

Addition of R. & D. Funds for AV–8B Trainer

Addition of $22 million to initiate development of two-seat TAV–8B trainer.

Addition of R. & D. Funds for AV–8B+

Addition of $15 million to continue evaluation of potential applications of fighter radar in the AV–8B.

Reduction of R. & D. Funds for Ship Concept Formulation

Reduction of $3 million for Ship Concept Formulation (formerly titled Advanced Ship Design).

Addition of R. & D. Funds for Ships Systems Engineering Standards (SSES)

Addition of $13 million for continued research into the integration of modular system concepts into Navy ships.

Addition of R. & D. Funds for Anti-Submarine Warfare (ARAPAHO)

Addition of $4 million for continued research on the ARAPAHO concept of containerized ASW support for merchant ships.

Addition of R. & D. Funds for Materials Technology

Addition of $8 million for Materials Technology for the Navy.

Addition of R. & D. Funds for TACAMO C^3 Systems

Addition of $3 million for research into more efficient C^3 systems for TACAMO aircraft.

Reduction of R. & D. Funds for High Power-to Weight Ratio Engines

Reduction of $14.810 million for the development of the stratified charge rotary combustion engine in Program Element 64656M.

Reduction of R. & D. Funds for F–15E

Reduction of $12.3 million for the development of a ground attack F–15E.

Reduction of R. & D. Funds for F–16E

Reduction of $10 million for the development of a derivative F–16.

Reduction of R. & D. Funds for SEEK TALK

Reduction of $8 million requested for the development of an anti-jam communications system, SEEK TALK.

Reduction in R. & D. Funds for LANTIRN

Reduction of $15 million for the development of night low-level navigation and targeting system, LANTIRN.

Deletion of R. & D. Funds for Operational Support Airlift

Deletion of $2.557 million for Operational Support Airlift for the Air Force.

Deletion of R. & D. Funds for Interim MX Basing Mode

Deletion of $715 million requested for research and development on MX interim basing mode.

Addition of R. & D. Funds for Long Term MX Basing Mode

Addition of $255 million for research on long-term options for MX deployment.

Reduction of R. & D. Funds for Advanced Ballistic Reentry Vehicle

Reduction of $22 million for research on the Advanced Ballistic Re-entry Vehicle so that its development will be consistent with the IOC of a survivably-based MX.

Addition of R. & D. Funds for MILSTAR System

Addition of $50 million for research and development to accelerate the IOC of the MILSTAR system.

OPERATION AND MAINTENANCE CHANGES

Reduction of O. & M. Funds Based on Reestimates of Fuel Prices

Reduction of $350 million based on more advantageous fuel price assumptions.

Reduction of O. & M. Funds Based on Strengthened U.S. Dollar

Reduction of $195 million related to foreign currency based on more favorable rates of exchange.

Addition of O. & M. Funds for Real Property Maintenance

Addition of $460 million in real property maintenance funding in fiscal year 1983.

Addition of O. & M. Funds for Navy Aircraft Modification Installation

Addition of $101.3 million for Navy aircraft modification installation.

Authorization of Navy Ship Overhauls

Explicit authorization of $2,518.8 million for ship overhauls, requiring prior approval for any expenditures for ship overhauls above this level.

Addition of O. & M. Funds for B–52D Aircraft

Addition of $20 million to maintain one B–52D squadron in "flyable storage" condition.

Addition of O. & M. Funds for Titan Missiles

Addition of $6.2 million for the continued maintenance of the 52 Titan missiles.

ACTIVE DUTY MILITARY MANPOWER CHANGES

Navy

Decrease of 5,000 from the requested end strength of 569,200. Reductions recommended in transient and training account.

Air Force

Decrease of 5,500 from the requested end strength of 600,000. Reductions recommended in accession, training and support account and in the conversion of active duty military spaces to reserve and civilian positions.

Restriction on the Number of Recruits Without High School Diplomas

Approval of amendment that renews for fiscal year 1983 the requirement that at least 65 percent of new Army male recruits be high school graduates.

Authority to Exceed Active-Duty End Strengths

Approval of authorization to permit the Secretary of Defense to increase the end strength of any active duty component by not more than .5 percent.

Indian Ocean "Save Leave" Provision

Approval of a one year extension of the period in which service members have to utilize the leave "carry over" which they earned during deployments to the Indian Ocean in fiscal year 1980.

CIVILIAN MANPOWER CHANGES

Army

Decrease of 8,400 from the requested end strength of 386,400.

Defense Agencies

Decrease of 2,600 from the requested end strength of 85,600.

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ATTACK RELATED CIVIL DEFENSE CHANGES

Reduction of $107.8 million from the requested level of $252.34 million for the attack-related civil defense program.

GENERAL PROVISION CHANGES

Special Defense Acquisition Fund

Establishes the ceiling for Special Defense Acquisition Fund at $900 million for fiscal year 1984.

Reports on Unit Cost of Major Defense Systems

Requires the Service Secretary concerned or, in some instances, the Secretary of Defense to report to Congress within a specified period of time whenever he determines that unit costs have exceeded a certain percentage threshold.

Requirements Relating to the Award of Sole-Source Contracts

Requires the Department of Defense to give a 30 day public notice prior to awarding certain sole-source contracts and also requires that the Secretary of Defense submit an annual report to Congress setting forth various statistics relating to award of sole-source contracts.

Repeal of Prohibition on Purchase of Administrative Use Vehicles From Foreign Sources

Repeals the prohibition on the purchase of administrative motor vehicles manufactured outside the United States or Canada in the absence of competitive bidding.

Purchase of Chemical Warfare Protective Clothing and Items Containing Specialty Metals From Foreign Sources

Permits DOD to purchase from foreign sources items containing specialty metals or chemical warfare protective clothing to offset U.S. sales or to further NATO rationalization, standardization, and interoperability.

Prohibiting the Consolidation of Military Transportation Commands

Prohibits the consolidation of any of the functions currently being performed by the Military Sealift Command, Military Traffic Management Command, and Military Airlift Command and requires a report on the various management and cost issues of any consolidation being contemplated.

Report on Allied Contributions to the Common Defense

Expresses the sense of Congress that the NATO allies and Japan should increase their contribution to the common defense and requires a report on allied contributions to the common defense.

Military Recruiting Information

Clarifies the authority of the Secretary of Defense to collect directory information on high school students solely for the purpose of recruiting. Authorizes the Secretary of Defense to request from State and local governments criminal history information pertaining to applicants for enlistment and related security clearances.

General and Flag Officer Strengths

Denies the request to repeal the current ceiling of 1,073 on the number of flag and general officers.

Authorizes the Navy to increase the percentage of three and four star officers from fifteen percent to seventeen and one-half percent until October 1, 1983. The total number of Navy flag officers will remain at currently authorized levels.

Contracting Out

Exempts Defense Department activities performed entirely by military personnel or by less than 50 DOD civilian employees from reporting and certification requirements. Allows the reporting and certification requirements for other activities to be suspended during war or national emergency.

SUMMARY OF NOTIFICATIONS, REPORTS OR STUDIES REQUESTED

Procurement

1. A study by the Secretary of Defense of the options available for further enhancing the sea-based leg of the U.S. strategic deterrent.

2. A study by the Secretary of Defense of the options available for the B–52 force structure.

3. A study by the Secretary of Defense, in consultation with the Administrator of NASA and the Director of the Office of Science and Technology Policy, of the national requirements for expendable launcher production as an important component of the defense industrial base.

4. A requirement that training-only ammunition and ordnance be presented as separate budget sub-activities beginning with the fiscal year 1984 budget.

5. A requirement that the Army notify the Committees on Armed Services prior to the obligation of fiscal year 1983 funding for Copperhead.

6. An explanation by the Department of the Navy before funds are expended if a non-fixed price contract is used in fiscal year 1983 for purchase of Trident I missiles.

7. A report from the Secretary of the Air Force reevaluating the requirement and inventory objective for the IIR Maverick.

8. A letter from the Secretary of the Air Force prior to the expenditure of any fiscal year 1983 funds for the CBU–90 anti-armor cluster munition assuring that this weapon is essential to the Air Force inventory.

Research and Development

1. A report from the Secretary of Defense by December 1, 1982 indicating which survivable basing option will be selected, in order to achieve the earliest possible IOC for the MX in such a basing system.

2. A report from the Secretary of Defense assessing the requirement for development of various Advanced Strategic Missile Systems technologies.

3. A study by the Office of the Secretary of Defense of the feasibility of transferring Ballistic Missile Defense management responsibilities to the Air Force.

4. An analysis from the Secretary of Defense of the future anti-jam voice communications requirements for each of the services.

5. A study by the Secretary of Defense describing the plans under consideration for the modernization of the World-Wide Airborne National Command Post System.

6. A study by the Department of the Navy of the specific command, control and communications requirements which would form the basis for a future procurement of a modern TACAMO C^3 suite.

7. A report from the Navy concerning notification and justification of the Navy's decision regarding the future of the SM–3 missile, to include a plan of action and milestones and a funding profile for the missile's development and that of the rejected alternatives.

Operation and Maintenance

1. A report by the Secretary of Defense by December 1, 1982, outlining DOD's program and fiscal guidance for achieving congressionally-mandated facility maintenance backlog levels within the fiscal year 1983–87 5-year defense plan.

2. A requirement for prior approval of reprograming for ship overhauls above the level identified in the bill.

3. A comprehensive plan and funding profile for the upgrading of the Minuteman II and III missile forces to accompany the fiscal year 1984 Air Force request.

Manpower

1. A report by the Secretary of the Army by December 1, 1982, on organizational changes that could be made to streamline the command structure of the U.S. Army Reserve.

2. Quarterly reports by the Department of the Navy on its progress in meeting its fiscal year 1983 contracting-out goals.

3. A letter report from the Secretary of the Army if the Army's training loads for one station unit training for the Active Army, the Army National Guard, or the Army Reserve drop 10 percent below the levels contained in the fiscal year 1983 budget.

4. A report by the Secretary of Defense on the responsibility of the Department for insuring the free public education of military dependents.

SUMMARY OF PROGRAM INITIATIVES

Procurement

1. Requires the relocation of the E–4B Airborne Command Post from Andrews Air Force Base inland unless the President certifies that its continued basing at that site is essential to and supportive of the national security.

2. Expects the Air Force and Navy to cooperate to the maximum degree possible on the enhancement of their respective cruise missile programs.

3. Directs the Air Force to make Air National Guard and the Air Force Reserve KC–135 tanker assets the recipients of the 28 sets of JT–3D engines authorized in this bill.

4. Encourages the Department of Defense to proceed with extreme caution in any effort to alter the B–1B program for the purpose of accelerating its Initial Operational Capability.

5. Encourages the Department of Defense to make available for purchase by U.S. enterprises excess missile components under certain circumstances.

6. Expects the Department of Defense to request funding for fiscal year 1984 for the expansion of the Minuteman Extended Survivable Power program to the entire Minuteman III force.

7. Recommends restructuring of KC–10A funding to permit implementation of a multiyear procurement approach.

8. Directs the Navy proceed as rapidly as possible with procurement of the 5″ Semi-Active Laser-Guided Projectile (SAL–GP).

Research and Development

1. Directs the Department of Defense to reorient the MX basing program so as to accelerate the permanent deployment of the missile in a survivable basing mode.

2. Encourages the Department of Defense to accelerate the Initial Operational Capability of the Trident II missile system only if doing so will not result in significant cost or performance penalties.

4. Expects the Department of Defense to identify and address funding shortfalls in the fiscal year 1984 MILSTAR program in the course of developing next year's budget request.

5. Expects the Navy to present a program to proceed with development of the phased array radar portion of the MK–92 fire control system upgrade.

6. Restricts obligation of funds for SUBACS until Navy presents a program to proceed with development of the phased array radar portion of the MK–92 fire control system upgrade.

7. Directs the Navy to restart the Vertical Launch (VL) ASROC program as soon as possible using funds which were authorized and appropriated in fiscal year 1982.

8. Directs the Navy to proceed as rapidly as possible with the development of the SEAFIRE electro-optical fire control system using funds which were authorized and appropriated in fiscal year 1982.

9. Recommends the initiation of a research and development program for the 155mm Vertical Load System Gun for use on naval ships.

10. Directs the Air Force to undertake a competitive approach to development of the Advanced Ballistic Reentry Vehicle.

Manpower

1. Urges the Department of Defense to continue its efforts to recruit highly qualified youth with the same intensity it has displayed in the past.

2. Expects that the Secretary of Defense will promptly notify the Congress of any increase in the authorized active-duty end strength.

3. Expects the Department of Defense to submit the unit annex each year with the manpower requirements report.

4. Requests that no changes be made in categories used in the manpower requirements report and the unit annex until the effects of such changes have been fully reviewed by the committee.

5. Directs the defense agencies to pursue a contracting-out program with the same intensity required of the services.

6. Directs the Department of Defense to conduct simplified cost comparisons for contracting-out proposals involving fewer than 50 Defense Department civilian employees.

7. Directs the service Secretaries to limit requests for criminal history information to reports of criminal activity which would be a bar to enlistment or to receiving related security clearances.

NATIONAL SECURITY PERSPECTIVES

GLOBAL PERSPECTIVES

Introduction

The task of protecting U.S. worldwide interests has become exceedingly more complex and demanding over the last 10 years. The challenges facing U.S. military forces have been particularly magnified by growing international instability and the geographic expansion of threats to Western interests.

Despite the emergence of new and additional demands, resources available to the Department of Defense diminished during the decade of the 1970's. Annual defense spending in the last year of the decade was 17 percent lower in real terms than in the first year of the decade. Only in the last several years has the United States begun to significantly reverse this downward trend in real defense spending.

In the broadest terms, the Department of Defense has seven basic missions, four of which are worldwide in nature and three of which are regional. The worldwide missions have the following goals:

—*essential equivalence* with the strategic forces of the Soviet Union;

—*maritime superiority*—controlling the seas when and where needed;

—*power projection superiority*—deploying superior military forces in times of crisis to distant world areas which are outside the traditional system of Western alliances; and

—*technological superiority*—ensuring that advanced military technology developed by the Soviet Union would not significantly alter the balance of power.

The regional missions are:

—*defense of NATO Europe;*

—*defense of East Asia*, particularly Northeast Asia; and

—*defense of Southwest Asia*, especially the region's oil resources.

Trends in the International Security Environment

Dominant among the trends in the international security environment is the continued growth in Soviet military strength. The unprecedented peacetime buildup of military power in the Soviet Union, initiated some 15 years ago, has continued over the past year. Throughout this period, Soviet defense spending has increased at an annual rate of 3–4 percent in real terms. Moreover, evidence shows that the Kremlin will continue to allocate more real resources to military spending at this same rate for the foreseeable future.

This growing Soviet military might continues to pressure U.S. allies in Europe and East Asia. At the same time, the improved ability of Soviet forces to operate in non-contiguous areas heightens the potential for East-West confrontations in distant world areas.

While the growing reach of Soviet military power has contributed to the proliferation of threats to Western interests, more direct threats to these interests have arisen from the aggressive behavior of Soviet proxies in Latin America and the Caribbean, Africa, the Near East, and Southeast Asia.

The Western response to these growing security challenges remains fragmented. Despite a resurgence of American leadership and a determination by the American people to redress adverse military trends, U.S. allies have not demonstrated the will to assume their fair share of the burdens of these new defense needs. The perception that the United States is shouldering a disproportionate share of the common defense burden has begun to trouble alliance relationships.

Divergent views by the United States and her allies on the need for various military policies and programs may in part be due to the inability of the allies to come to grips with the threats to their interests emerging in areas outside the geographic boundaries of the alliances. Key among these are potential threats in the Southwest Asia region.

The North Atlantic Alliance has been further troubled by the emergence, especially in Europe, of a "peace movement" which has served to lessen public support for concrete government actions to counter adverse military trends.

The weakening of the political cohesiveness of military alliances is not confined to the Western world. The events in Poland and elsewhere in Eastern Europe show a less firm grip by the Soviets on their Warsaw Pact allies. The weakening of alliances is but one of many continuing signs of international events that serve to diffuse power and influence throughout the world.

The Sino-Soviet geopolitical rivalry has added to the diffusion of power as has the growth in the strength of regional military powers, with India being a clear example. Furthermore, there has been a marked increase in nationalism serving to lessen traditional influences, especially in Third World countries.

International terrorists, operating outside the community of nations, have further diffused power and influence. Terrorist activities are but one indication of rising worldwide militarization. Nations, especially developing ones, are increasingly turning to military force to solve their international problems.

The world's economic order has also changed. Most notable has been the new economic strength of oil-rich nations and the influence that they have over the world's economy. The scramble for resources has resulted in previously unimaginable decisions and policies, witness the natural gas accords between the Soviets and West Europeans. The world's economic slowdown has heightened pressures on governments to make accommodations to protect the economic well-being of their peoples.

In summary, the West is confronted by: unfavorable trends in the East-West military balance; new threats in distant world areas; less concerted action by allies resulting from competing internal and

external demands and pressures; greater obstacles to protection of interests; more powerful opposing forces—political, military, and economic; and scarcer natural resources and less certainty of continued access to such resources.

It appears that the traditional instruments used in the past by the West to counter threats to its interests will be considerably less effective in the future or will no longer be available. Combined with the current lack of political cohesion, the West is facing a troubling decade in which its capacity to shape world events will continue to diminish.

The Importance of Security Assistance

For much of the post-World War II period, U.S. national security policy recognized the importance of providing security assistance to America's allies and friends.

In the mid and late 1970's, however, the entire image of security assistance was altered in the minds of many U.S. policymakers. Instead of being viewed as attempting to help threatened nations provide for their self-defense through appropriate arms transfers, the United States was characterized as a "merchant of death" and a contributor to the misuse of the scarce economic resources of developing nations who were procuring unnecessary hardware. Self-imposed unilateral restraints were established for U.S. arms sales.

While the goals of these policies of unilateral restraint were laudable, they were unrealistic. Two major deficiencies resulted. First, given the willingness of the Soviet Union to provide enormous quantities of sophisticated weapons to her proxies, certain regional power imbalances developed.

Second, the United States was increasingly placing herself in a position where only American fighting forces would have the military capabilities to protect U.S. friends in local conflicts. This, in effect, was a repudiation of the Guam Doctrine enunciated by President Nixon in 1969.

Security assistance is now and will continue to be an important element of U.S. national security policy. Not only can security assistance complement U.S. military capabilities, but it also can substitute for them in certain instances. Assistance to U.S. friends and allies can result in the formation of credible military forces capable of protecting Western interests at a fraction of the cost of developing and maintaining similar U.S. capabilities.

While U.S. security assistance programs need to be emphasized, policies for arms transfers need to be carefully formulated to be certain that they do promote U.S. interests and do serve to lessen international instability.

Union of Soviet Socialist Republics

The Union of Soviet Socialist Republics (USSR) continues to face serious ideological, economic, and political problems.

In Poland, the key country in the Soviet empire, the Soviets are facing a major test of Communist ideology. While pressure from Moscow has brought Polish policies and behavior back within the

bounds of Soviet tolerance, at issue is the durability of effective Soviet suppression in Poland and elsewhere in Eastern Europe.

The Soviet economy continues to have major problems. During the 1980's, the Soviet economy may pass through its worst period in 30 years. Economic growth rates will be low, and the Soviet standard of living may actually decline. Adding to the economic hardships of the Soviet people is the continued growth in the percentage of national resources devoted to military programs.

The death during 1981 of Mikhail Suslov, the senior Soviet ideologist, and the failing health of President Leonid Brezhnev are clear signals of an impending leadership crisis in the USSR. The power struggles that are likely to accompany the replacement of the top Soviet leaders are unlikely to produce a stable political climate.

Given the enormous military strength in the hands of the Kremlin, there is little consolation from the major domestic crises confronting the Soviet leadership. The combination of Soviet domestic weaknesses and a Soviet reliance on military power as the principal foreign policy resource represents a dangerous situation.

Europe

The North Atlantic Alliance has entered a troubled period. Many defense specialists on both sides of the Atlantic hold the view that there never has been a time in the Alliance's history where the United States and her European partners have been so divided on military strategy and policies.

There is agreement within the Alliance that there are unfavorable trends in the NATO-Warsaw Pact military balance caused by continued Soviet accumulation of conventional warfighting capabilities and by the deployment of Soviet intermediate range nuclear missiles. Sharp disagreements exist concerning the precise nature of the Soviet threat and therefore over the most effective NATO response.

Three fundamental issues underlie the foreign policy and defense positions of various NATO member states:

—abandonment or preservation of U.S.-Soviet detente and West European-Soviet detente;

—priorities to be assigned to a revitalized military effort and to international economic difficulties; and

—the relative emphasis to be given to arms control negotiations versus force modernization programs.

The inability of NATO to agree on these fundamental issues has resulted in an uncoordinated, fractured response to the Alliance's security problems.

Soviet political strategy regarding the North Atlantic Alliance is to drive a wedge between the United States and her European partners. The Soviets have had considerable success in implementing this strategy.

The Soviets have skillfully played upon the fears of West Europeans and have, thereby, contributed to the inability of the political leadership of NATO European nations to develop a consensus on defense policies and programs.

Most troubling of the NATO issues is the program to modernize theater nuclear forces. In December 1979, the North Atlantic Alliance

decided to pursue modernization in parallel with arms control. In November 1981, the United States and the Soviet Union initiated negotiations on controlling theater nuclear forces. Despite the efforts to negotiate reductions in theater nuclear forces, the Alliance is plagued by weakening support for the modernization effort.

East Asia and the Pacific

East Asia and the Pacific Basin remain areas of vital interest to the United States. Important sea lanes pass through the area, carrying vital commodities to the United States and her friends in the region. Total U.S. trade with East Asia surpasses U.S. trade with all of Western Europe. Finally, the United States imports large quantities of titanium, zirconium, rubber, tin, and tungsten from East Asia.

Since the early 1950's, the U.S. position in East Asia has been based on a core of stable alliance relationships with Japan, South Korea, the Philippines, Australia, and New Zealand. With major implications for the global military balance, the United States and the People's Republic of China (PRC) normalized relations in 1979.

The Soviet Union has been expanding her influence in East Asia, almost exclusively through her military capabilities and her activities as an arms supplier. SS–20 missiles and Backfire bombers have been deployed in the region so that they are within range of the PRC, as well as U.S. bases in Japan and the Philippines. The full range of Soviet conventional forces in East Asia—force projection, seapower, tactical air and manpower—has undergone a dramatic quantitative and qualitative buildup. It is a force which, in the future, may have the capacity to interdict the Pacific sea and air lines of communication which link the United States to the region and enable her to maintain vital security commitments.

U.S.-Japanese relations remained on a fundamentally sound footing, notwithstanding disagreements over a range of economic and security issues. Both the future form and level of military cooperation between the two countries and the management of economic tensions remain issues which will affect relations in the year ahead.

The situation in the Republic of Korea has stabilized after a period of uncertainty following the assassination of President Park Chung Hee. The improving economic situation in South Korea has significantly enhanced the prospects for continued stability in that country. Relations between the United States and South Korea remain on a firm basis, exemplified by the visit to Washington of the South Korean leader, President Chun Doo Hwan.

Relations between the United States and the PRC were strained during late 1981 and early 1982, primarily as a result of differences about how the United States can fulfill her obligation to the peoples of Taiwan without disturbing PRC sensibilities. A principal question for U.S.-Asian policy in the immediate future will be how to manage the relationship with the PRC in the context of the Sino-Soviet dispute.

Near East and South Asia

Strategically situated alongside three continents and holding the largest petroleum reserves in the world, the Middle East is an area

of vital interest to the United States. U.S. interests, defined by a succession of American Administrations, include:

—maintenance of friendly relations with moderate Arab states such as Egypt and Saudi Arabia;
—containment of Soviet influence;
—survival and prosperity of the State of Israel; and
—secure access to oil for the West.

In a now common pattern, the Soviet Union has relied on her military power to expand her influence in the Middle East. The Soviet invasion of Afghanistan was the most striking example of the willingness of the Soviet Union to expand her influence militarily. The Soviets have also been active suppliers of arms to radical Arab states and have stationed increasing numbers of Soviet and Soviet bloc advisors within the region. Through this military supply relationship, the Soviet Union has gained military access to South Yemen, but Soviet desires for access to facilities in both Syria and Iraq, primary recipients of Soviet arms, have been largely unfulfilled.

The rise of Islamic nationalism has had adverse consequences for American security policies for the region. The fall of the Shah of Iran in 1979 brought to power a revolutionary Shiite regime in Tehran which threatens to export its Islamic revolution to moderate Arab states in the Gulf. The coup attempt in Bahrain in December 1981, which was aided by Iran, is evidence that Iranian threats must be taken seriously. Finally, the assassination of Egyptian President Anwar El-Sadat by Islamic fundamentalists removed a reliable friend of the United States from the region.

Relations between the United States and Israel were strained during the year, as a result of a number of actions by both nations. The U.S. provision of air defense enhancements to Saudi Arabia, the Israeli bombing of an Iraqi nuclear reactor, the Israeli attack on Beirut, the Israeli annexation of the Golan Heights, and the reports of a redirection of U.S. policy in the Middle East from Israel to the moderate Arab states all contributed to this decline. The critical issue for the United States and Israel in the coming year will be to achieve an improved understanding of the mutuality of their interests in the region and of the need for appropriate restraints on actions by each nation in the conduct of its foreign affairs.

Implementation of the Camp David Accords has continued this year although negotiations concerning autonomy for the West Bank and Gaza Strip have proceeded slowly. Israeli withdrawal from the Sinai is expected by April 25, 1982 and the multinational peacekeeping force, including units from the United States, United Kingdom, Italy, France, the Netherlands and a number of other countries, is in the process of being deployed to the area.

In 1981, the United States spoke of the need to create a "strategic consensus" among U.S. friends in the region, including moderate Arab states and Israel. The United States began an intensified program of strategic cooperation among friends in the region by

—agreeing to provide air defense enhancements to Saudi Arabia;
—conducting Bright Star 82, a military exercise which took place in Egypt, the Sudan, Oman, and Somalia;

—negotiating a $3.2 billion military and economic assistance package for Pakistan; and

—providing increased security and economic assistance to Israel, Egypt, and the Sudan.

Sub-Saharan Africa

Africa has assumed a more prominent place in U.S. security policy, after a period of U.S. reliance on former colonial powers to protect Western interests. Currently, U.S. interests in Africa have both military and economic components. Militarily, Africa is located near zones of high strategic priority for the West: the Persian Gulf and Arabian Peninsula. It is also contiguous to naval routes over which about 50 percent of the oil shipments transit from the Persian Gulf region.

Concerning economic trade and investment, Africa clearly is less important to the United States than other world areas. However, Africa is economically important given the region's high percentage of the Free World's reserves of critical minerals. The southern African region contains massive reserves of manganese, chromium, plutonium, cobalt, germanium, and vanadium. In addition, 37 percent of America's crude oil imports come from Africa.

With the Soviet-Cuban interventions in Angola and Ethiopia, there has been an increasing focus on the military threats within the region to Western interests. The Soviet Union has sought to expand her influence in Africa through arms sales, Soviet military advisers, limited economic assistance, and support for Cuban and East European forces and personnel. Cuba alone maintains more than 33,000 military personnel in Africa, including large numbers of combat troops.

Despite large-scale Soviet support for military efforts in Ethiopia and Angola and Soviet military assistance and involvement in establishing security apparatuses, it should be noted that the Soviet Union does not have a commensurate economic penetration of even those African states with which she has intimate political-military ties. Even in states with Cuban troops and where Soviet support is critical to the regime's maintenance, there appears to be a reluctance to provide the Soviet Union with full base facilities. Apparently, the Ethiopians have been resisting Soviet pressures for more military facilities, and neither Angola nor Mozambique have been forthcoming on base rights.

Libya remains a serious threat to U.S. interests in the Near East and Sub-Saharan Africa. With the announcement of the Tripartite Agreement between Libya, Ethiopia, and South Yemen, new pressures were placed on pro-Western regimes in Egypt, the Sudan, and Somalia. Although Libyan forces have withdrawn from Chad, at the request of the Chadians, continued instability in that country could provide a pretext for another Libyan move.

Finally, the complex racial problems of the southern African region confront the Western world with an interlocking set of problems and dilemmas. Progress on negotiations regarding the future status of Namibia has been slow. Without an agreement regarding Namibia, however, it is unlikely that Cuban forces will be asked to leave Angola. A peaceful solution to the problem of the future status of Namibia

will influence the Republic of South Africa as she deals with her own internal racial structure. These issues are of tremendous importance to the West because of South Africa's strategic position and possession of many strategic minerals.

Latin America and the Caribbean

While Latin America is a region of vital U.S. security interests, it has received relatively little attention in recent years in policymaking circles in the United States. A review of those security interests reveals that the United States should increase her attention to the problems which afflict Latin America:

—Central America and the Caribbean Basin form the southern flank of the United States;

—the United States is the largest trading partner for the region, while trade with Latin America totals approximately 14 percent of both U.S. imports and exports;

—Latin America provides a number of important raw materials to the United States and receives over 18 percent of all U.S. private investment abroad;

—through the Caribbean Basin transits a majority of U.S. petroleum imports as well as commercial and naval traffic between the Atlantic and Pacific Oceans; and

—The South Atlantic sea lanes are an important petroleum supply routes for the United States and Western Europe.

Since the enunciation of the Monroe Doctrine, the United States has enjoyed unquestioned hegemony in the Western Hemisphere. With the exception of Castro's Cuba, Allende's Chile, and the military government of Peru during 1968–1980, the Soviets have been unsuccessful in extending their influence in Latin America. In fact, trade has remained the single most important element in Latin America's relations with the Communist world. Currently, however, Cuba has embarked on an attempt to extend her influence throughout the Caribbean Basin region, particularly in Nicaragua and El Salvador.

Nicaragua, bolstered by Cuban weapons and advisers, is forging a military machine that could be the strongest in the region. Further, Nicaragua has aided and abetted guerrillas fighting the government in El Salvador.

El Salvador has become a test case for the Reagan Administration's campaign to resist what it perceives as Soviet-backed, Cuban-inspired insurgency throughout Latin America. The elections held in March 1982 may provide the new government of El Salvador the necessary mandate to break the back of the insurgency. Barring this, the United States should encourage Mexico to be more concerned about the destabilizing situation to her south and to exercise her influence to ease Nicaraguan and Cuban support for the insurgents in El Salvador.

In the last year, the United States has moved to improve relations with a number of key countries in Latin America. The United States lifted the ban on Chilean access to the Export-Import Bank and on participation in joint naval exercises and removed the prohibition on military assistance to both Chile and Argentina.

STRATEGIC FORCE PERSPECTIVES

The strategic force perspective continues to be dominated by the evidence of significant and increasingly worrisome Soviet capabilities. It has become more and more difficult to arrive at a calculation of relative U.S.–USSR strategic forces that indicates, as a bottom line, a state of parity existing at the present time.

The Soviet Union has proceeded apace with refinements to its intercontinental nuclear arsenal that has made it, at once, more capable of conducting disarming first strikes and more resistant to such counterattacks as the United States might conduct in response. New generations of ICBM's, intercontinental bomber aircraft, submarine-launched ballistic missiles and their platforms, and nuclear cruise missiles have been identified; their introduction into the Soviet inventory seems only a matter of time. Research and development of defensive technologies—anti-ballistic missiles, laser and anti-aircraft systems—are being pursued aggressively. Significant investment in civil defense protection for leadership and key industrial work-force personnel is ongoing, as is the expansion and hardening of Soviet command and control networks.

While the USSR's strategic force buildup is awesome in its own right, the relative quiessence that has characterized the U.S. nuclear triad and its supporting subsystems has made the growth in Soviet strategic capabilities all the more dangerous. The period of strategic inferiority which we have now entered—known colloquially as the era of "the window of vulnerability"—must therefore be recognized to be a direct result not only of concerted effort on the part of the Soviet Union, but also of prolonged and substantial inaction on the part of the United States.

The committee is pleased to note that, since it published its report accompanying the Fiscal Year 1982 Defense Authorization Act, important progress has been made in strategic force modernization. Whereas in last year's report it was noted that U.S. strategic forces were then at a crossroads, today the committee finds that the road to modernizing these forces and, thereby, revitalizing their effectiveness as a deterrent has been resolutely selected, and important steps in this direction have already been taken.

These steps reflect action on the fiscal year 1982 defense program by the Executive Branch and by the Congress. Most notably, the President announced on October 2, 1981 a comprehensive five-part initiative aimed at upgrading every aspect of the United States' strategic triad. The President confirmed that the land-based deterrent would be modernized with a new missile, the MX, intended to replace the Titan missile force and augment the capabilities of the Minuteman ICBM system. The B–1 bomber and the Advanced Technology aircraft were recommended as a two-phase replacement for the aging B–52 fleet, together with a significant additional procurement of air-launched cruise missiles. Similarly, the fleet ballistic missile component is slated to receive the Trident II SLBM, configured to optimize the performance and range capabilities afforded by the OHIO class submarine missiles tubes, complemented by a strategic reserve capability at sea in the form of long-range, land-attack cruise missiles.

Additionally, the President's plan called for substantial enhancements of the U.S. strategic air and civil defense systems. For the first time in many years the Executive Branch has expressed an interest in achieving improved strategic deterrence through a combination of retaliatory *and* defensive forces.

Finally, and of special interest to the committee in light of its own initiative relating to strategic command, control and communications (C^2) modernization in the Fiscal Year 1982 Defense Authorization Act, the Administration's nuclear forces modernization program called for equal attention and resources to be allocated to the upgrading of the central nervous system of those forces—the U.S. strategic C^3 network. The President's plan calls for $18 billion to be expended for the purpose of improving the peacetime reliability and wartime survivability and endurability of the command, control and communications system alone.

While the committee has some reservations about specific subelements of the President's plan for modernizing our strategic deterrent, which are expressed elsewhere in this report, it supports fully the objective of this effort and concurs in the assessment of growing Soviet nuclear war-fighting capabilities that has made such improvements necessary.

It is the committee's expectation that the general outlines of the program recommended by the President—providing for a survivable land-based missile force, a diversified and capable mix of air-breathing weapon systems and a highly potent nuclear capability deployed at sea, coupled with a resilient command, control and communications network and prudent efforts in the areas of strategic defense—will, if approved by the Congress, make clear to the Soviet Union's leadership the futility of further, extravagant investment by the Soviets in destabilizing and threatening offensive nuclear armaments.

The committee anticipates that the adoption by the Congress of the Administration's program, as modified by the accompanying legislation, will, therefore, result in the groundwork being laid for an effective, verifiable strategic arms reduction accord with the USSR.

THEATER NUCLEAR FORCE PERSPECTIVES

Important developments have also occurred in the past twelve months in the theater nuclear forces arena. Soviet deployments of intermediate range ballistic missile systems such as the SS–20 mobile missile, capable of striking targets as far from the Western USSR as Iceland, have occurred at the rate of one launcher added per week in recent years. Currently, the threat posed to Western Europe by the SS–20 force alone is 1,700 warheads. In addition, there are 300 SS–4 and SS–5 fixed ICBM's poised to strike anywhere on the European continent. Hundreds of new tactical theater systems are about to be introduced as the SS–21, SS–22, and SS–23's begin to replace older, less capable weapons now in the Soviet arsenal.

Notwithstanding the ominous threat such weapons and their aircraft- and submarine-delivered counterparts represent to Western European security, a growing movement has been developed in many NATO countries whose immediate objective has been the derailing of

the alliance's Long-Range Theater Nuclear Force (LRTNF) Modernization Plan. This program was drawn up by NATO to offset, in small measure, presently unmatched Soviet LRTNF systems. The Ground-Launched Cruise Missiles and Pershing II ballistic missiles called for under the plan would begin deployment in late 1983.

In a dramatic move applauded by peace-loving peoples everywhere, the President announced in November, 1981 an arms control proposal known as the "Zero Option." A draft treaty incorporating this offer to forego deployment of GLCM's and Pershing II's to Europe in exchange for the dismantlement of the USSR's SS–4's, SS–5's and SS–20's has now been tabled at the Intermediate Nuclear Force (INF) negotiations in Geneva.

The committee believes that the elimination of the present Soviet advantage in long-range theater nuclear forces is of crucial importance. It is preferable that that advantage be done away with in a manner that promotes European stability and lowers the probability of nuclear war through the reductions envisioned by the zero option. In the event such reductions cannot be achieved at the INF talks, the committee feels that the agreed-upon NATO LRTNF deployments must go forward as planned.

SPACE PERSPECTIVES

This year the Strategic and Theater Nuclear Forces Subcommittee held its first hearing on the subject of U.S.-Soviet policy and programs for the military exploitation of space. This oversight responsibility has become increasingly important as the United States will spend in fiscal year 1983 significant sums on various weapons, communications and other systems which make use of or are in some way, associated with outer space. Additional urgency is added by estimates that the U.S.S.R. is investing nearly twice the amount expended by the U.S. in its own space program. Soviet space efforts are believed to be heavily oriented toward military activities.

The committee is pleased to note that a comprehensive interagency review of U.S. space policy under the direction of the Office of Science and Technology Policy is now nearing completion. It is hoped that, when this document becomes available, it will become the basis for a continuing review by the committee of the direction and programatic makeup of America's approach to military applications of space.

SEAPOWER PERSPECTIVES

Last year the committee expressed its concern that as an island-nation, the United States is inextricably dependent on overseas sources of energy and minerals to supply its industries and its people, that in the past decade we have let our clear advantage in maritime power slip from our grasp, and that we must now double our efforts to regain it. Little has changed in the year to alter that assessment, except that the administration is at least now stressing a strategy that seeks to regain essential American maritime superiority and is attempting to economi-

cally procure the warships to do it. Unfortunately, while it speaks with one voice on naval strategy, the Administration's strategy of providing adequately for the equally vital Merchant Marine is confused and uncoordinated.

This year trends were present in the Sea Power and Force Projection area that can only be viewed as positive: a reassertion of the necessity of a global strategy based on wartime, not peacetime, requirements; a shipbuilding plan that builds steadily and smoothly towards a force structure to match that strategy; and a broad-based and aggressive search for ways to cut costs and achieve greater procurement efficiencies to provide that force structure in the most economical way possible.

In the first case, the Secretary of the Navy articulated a strategy to regain essential American maritime superiority based on an assessment of the minimum forces required such that, when combined with those of our allies, they could deter the Soviet Union and her allies in peacetime and have a reasonable assurance of victory in war. This strategy was the foundation of the requirement to build towards a 600-ship, 15-battle group force.

Second, the Navy appeared to head even further down the path that this committee has endorsed for a year now—a path that leads towards a steady, predictable, adequate shipbuilding plan based not only on the allocation of work on the basis of cost and performance, but also on the insistence where possible of dual source procurements. Such a shipbuilding plan should eventually establish annual production rates for certain essential classes of ships that are steady and predictable, thus helping to eliminate the erratic and inefficient approach to ship construction which has dominated the Navy's program for many years. Such a plan will strengthen the industrial base, particularly in the shipbuilding industry, and help reduce unnecessary and unacceptable cost growth while achieving the proper numbers and mix of warships necessary to meet the growing threat.

Finally, the Navy made noticeable headway in achieving cost and time savings by seeking economic procurement efficiencies in aircraft, ship and weapons production. Within the shipbuilding area, this was evident in the multi-year procurement plans for some auxiliaries and support ships; in the attempts to convert-and-charter rather than procure certain maritime prepositioning ships; and most noticeably in the request for two CVN–68 NIMITZ class nuclear powered aircraft carriers. The Navy claims, and the General Accounting Office supports, potential time and cost savings of 58 months in early deliveries and some $754 million over the life of this vital carrier program.

While the committee is, for the most part, pleased with the Administration's genuine efforts to increase the number and capability of our Navy's warships and related support ships, the committee is deeply concerned about the administration's apparent apathy for what has become a woefully inadequate Merchant Marine force. While it is not a matter within the jurisdiction of this committee, no maritime strategy is complete without an analysis of the capabilities of the merchant fleet. Unfortunately, even a cursory analysis of that

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capability reveals that at best, it is weak and getting weaker. Perhaps a free market, high standard-of-living society with only a small percentage of its trade in the international market is doomed to a shrinking maritime service, but when the need for a stronger Merchant Marine is viewed from the perspective of military requirements, it becomes clear that the U.S. must do something. No one seems to disagree that, with the notable exception of the MARAD Title XI guarantees, the operating and construction differential subsidies were strangling incentive in the industry. On the other hand, no one seems ready to offer acceptable solutions. The continued rebuilding of American seapower will not only require steady, rational and sufficient growth in naval shipbuilding, it will also require that we commit ourselves and our available resources to rebuild our faltering Merchant Marine force.

In summary, the committee is, for the first time in many years, hopeful that the Administration will continue to commit whatever is necessary to enable the U.S. to regain maritime superiority. Given the limited resources available, this objective is achievable only if the administration adheres to a stable shipbuilding plan which has as one of its most important concerns the elimination of inefficiencies and waste that result in unnecessary and the too often experienced cost escalation. We, as a nation, must work hard to sustain this growth in order to regain our position in the world and to insure that we retain the free access to the world's resources and markets that is so vital to our own industrial and economic survival.

Navy Ship Inventory

The Navy ship operating forces at the end of fiscal year 1982 will total 555 ships. This compares to a peak in recent years of 1,003 ships in fiscal year 1968 and a low of 531 ships in fiscal year 1980.

During fiscal year 1983, the operating force should experience a net gain of 13 ships to reach a total of 568 ships. The active forces should experience a gain of 15 ships, the fleet auxiliary force a gain of four ships, and the reserve force a loss of six ships. Some of the important active force gains include an OHIO class fleet ballistic missile submarine, LOS ANGELES (SSN-688) class attack submarines, the first IOWA class battleship to finish reactivation and modernization, USS NEW JERSEY (BB-62), the first CG-47 class AEGIS guided missile cruiser, the final SPRUANCE (DD-963) class destroyer, as well as a number of FFG-7 class guided missile frigates. In addition, all but one of the older destroyers and the first four of the 22 MSO class minesweepers in the reserve fleet will be retired, and the integration of the FF-1052 and FFG-7 class frigates into the Naval Reserve Force will continue at an accelerated pace. Overall, the gains in the force occur in critical combatant areas and the losses occur in areas that are suffering from decreasing effectiveness and utility.

NAVY SHIPS

	Fiscal year 1968		Fiscal year 1980		Fiscal year 1982		Fiscal year 1983	
	Active	Reserve	Active	Reserve	Active	Reserve	Active	Reserve
Strategic submarines (SSBN)	41	0	40	0	33	0	34	0
General purpose forces	935	75	416	49	452	43	466	37
Attack submarines (nuclear and diesel)	105	0	79	0	96	0	99	0
Aircraft carriers	23	0	13	0	13	0	13	0
Other combatants:								
Battleships	1	0	0	0	0	0	1	0
Cruisers	34	0	26	0	27	0	28	0
Destroyers	221	16	80	16	84	5	85	1
Frigates	50	19	71	0	82	4	90	6
Amphibious	157	1	63	3	59	6	60	6
Patrol combatants	9	6	3	0	6	0	6	0
Mine warfare	84	12	3	22	3	22	3	18
Auxiliaries (including auxiliaries subs)	251	21	78	8	82	6	81	6
Total ships	976	75	456	49	485	43	500	37
Fleet auxiliary force	4		26		27		31	
Total ship operating force	1,055		531		555		568	

FORCE PROJECTION PERSPECTIVES

The focus of U.S. force projection plans and programs has centered on the Rapid Deployment Joint Task Force (RDJTF) which will transition on January 1, 1983 to a separate unified command for the Southwest Asia region. The committee fully supports the creation of this new unified command. The mission of protecting U.S. interests in the Southwest Asia region can be enhanced by having a single commander who can focus on the security environment and trends of the entire region including contiguous waters, develop a comprehensive military strategy for defending the region with appropriate roles for allies and friends, and assess requirements for U.S. forces in executing this strategy.

The committee believes that the geographic boundaries of this command, which have not yet been determined, should be defined so as to include the northwest quadrant of the Indian Ocean and Diego Garcia. These contiguous waters are an integral part of the region. In addition, Diego Garcia will be the main support base for the Southwest Asia region.

Given the responsibilities of this command, especially concerning coordination with regional states, the committee believes that a command element should be established within the region at an early date. However, this forward command element should be established at sea in order to avoid the problems that might result from land-basing.

Recently, the Department of Defense has given considerable emphasis to planning for the more likely crises in the region. Previously, U.S. force planning was almost exclusively focused on the direct Soviet threat to U.S. regional interests. While the direct Soviet threat repre-

sents the worst case, the probability that it will develop is low relative to other potential crises. The committee supports this broadening of U.S. planning. The more likely crises of conflict between regional states and of internal subversion supported by external forces may pose substantially different requirements for U.S. military forces compared to a worst case scenario. Given the uncertain demands of these lesser crises, U.S. planning should emphasize flexible forces that are not overly dependent on access to land facilities for deployment and employment.

The committee believes that the United States should continue to show the importance of the Southwest Asia region to U.S. interests by maintaining a high level of naval deployments to the region. These deployments should be undertaken in the context of a relatively low visibility for U.S. military forces on the region's land mass, an objective driven by the political realities of Southwest Asia. The U.S. commitment can also be demonstrated by completion of important U.S. military construction projects in the region.

While strengthening of U.S. force projection capabilities remains important, defense of the Southwest Asia region can best be enhanced by improving the self-defense capabilities of indigenous military forces. In this regard, the United States should emphasize security assistance for friendly nations that are threatened.

During the decade of the 1970's, force projection instruments—including airlift, sealift, amphibious shipping, naval gunfire, and lightweight armored vehicles—endured a period of neglect. By the end of the decade, the United States found itself in an unbalanced military posture in which U.S. force projection capabilities were inadequate to meet the rapid deployment needs of existing combat forces.

Only in the last several years has the United States begun to revitalize its force projection capabilities. In spite of that, certain programs in the past several fiscal years still have been troubled by uncertainty as to the real requirement and the best program alternative. The authorization request for fiscal year 1983, however, gives clear direction to this revitalization effort. Funding levels for force projection have been substantially increased. In addition, important program decisions have been made for airlift, amphibious shipping, full medical support for the RDJTF, and lightweight armored vehicles. However, one program, naval gunfire, continues to have problems. Despite the reactivation of IOWA class battleships, the naval gunfire program lacks a well-defined enhancement effort for other ships of the fleet.

TACTICAL WARFARE PERSPECTIVES

The committee's assessment of our tactical forces began with a comprehensive review of Soviet conventional weapons. This review yielded few, if any, surprises. Soviet numerical superiority in tactical aircraft, tanks, armored personnel carriers, artillery pieces and surface-to-air missiles remains unchallenged. Their sizable inventories of these weapons, coupled with production rates that far exceed our own, virtually assure them of retaining this numerical advantage despite

the significant increases in defense spending proposed by the administration.

The United States, on the other hand, retains certain qualitative advantages which the Soviets have been unable to overcome. Our tactical aircraft, radar, air-to-air missiles and "smart" weapons are superior to theirs. However, our lead is steadily diminishing as a result of dramatic Soviet technological advances achieved in recent years.

The greatest deficiencies in both numbers and capabilities are to be found in our ground forces. Through massive, sustained investments in ground combat equipment, the Soviets have acquired not only an impressive numerical advantage but a qualitative one as well. However, with the fielding of such systems as the M1 tank, Bradley Fighting Vehicle, and the Division Air Defense Gun, the U.S. will begin to reduce the qualitative advantage the Soviets have enjoyed over virtually the entire spectrum of ground combat equipment. Nowhere is the need for modernization greater than in our ground forces.

The task of modernizing our conventional forces will continue to be exceedingly difficult even with the benefit of higher defense budgets projected by the current administration. Unfortunately it is not widely understood that in each year's defense budget less than 35 percent is available to procure hardware—the remainder goes primarily to pay, operations and maintenance, and research and development. With this limited share of the budget, the current imbalance in inventories and production rates, and the recent Soviet successes in narrowing the qualitative gap, it is imperative that we spend our defense dollars wisely. We must buy the right weapons and we must do so efficiently.

Examples of inefficiency in our weapons procurement policies are not hard to find. The Navy, for instance, has 13 aircraft lines in production, 8 of which are producing aircraft at rates lower than 20 per year. Three of those lines (EA–6B, P–3C, and E–2C) are scheduled to produce only 6 aircraft in fiscal year 1983. These inefficient production rates distribute an entire year's overhead charge on just 6 aircraft. The inevitable results are exorbitant unit costs and wasted resources.

The committee's recommendations will begin to rectify this situation. Production of the A–6E, for which there is surplus inventory, should be terminated while production of the EA–6B, for which there is a shortage, should be doubled. The committee has also recommended termination of A–10 production—scheduled for only 20 aircraft in 1983—while increasing the production rates for F–15's, F–16's and F–18's (the latter two are recommended for increased advance procurement funds).

As for buying the right weapons, it is the responsibility of Congress not just to address current deficiencies, but to anticipate the future requirements of our defense forces. We must consider that many of the weapons procured today may not be delivered for two or three years, and those in research and development may be 10 years away from first delivery.

Recently the effort to modernize our conventional forces has been the subject of considerable public debate. There are those who argue

that we should be equipping our forces with weapons that are simple to operate, easy to maintain and inexpensive to produce. Others maintain that such weapons will not defeat the threat and that we must continue to rely on new technology for more capable weapons. They further maintain that technology may be applied to increase reliability and maintainability not just to increase capability.

In attempting to assess the merits of both points of view, one must take note of the fact that the Soviets are not developing weapons that are "cheap and simple." The Soviets are developing weapons which represent the leading edge of their technological capabilities—weapons that are sophisticated, capable and lethal. During the next 5 years the Soviets will continue to expand their inventories of sophisticated Foxbat and Flogger aircraft and will begin delivery of a new MIG series aircraft and a new Sukhoi fighter. These aircraft are sophisticated and highly capable. According to public reports they will be equipped with "look down-shoot down" radar and will be armed with radar-guided missiles that can destroy another aircraft more than 20 miles away.

The new generation of Soviet attack helicopters, tanks, armed personnel carriers, and surface-to-air missiles are equally sophisticated and formidable. It is with these weapons in mind that we must allocate our scarce defense resources. We cannot deter tomorrow's wars with yesterday's weapons.

Stand-off Weapons

The committee continues to place great emphasis on the development of stand-off weapons. Such programs as Pave Mover, Conventional Stand-off Weapon (CSW), Corps Support Weapon System (CSWS), Assault Breaker, and Remotely Piloted Vehicles (RPV's) should increase the survivability of delivery platforms while presenting any potential adversary with an extremely demoralizing threat.

Cost Growth

Cost growth continues to be the single greatest threat to our modernization effort. Unconstrained cost growth in one program represents a threat to the funding of all other programs, and undermines the public consensus for increased defense expenditures. One year ago the Army's Stand-off Target Acquisition System (SOTAS) was terminated after more than doubling in cost. This year the committee has recommended a one-year deferral of production for the Army's AH–64 attack helicopter after a combination of Army and contractor decisions increased the unit cost from $11 million to over $16 million per aircraft. In the words of one committee member, we are condemning ourselves to inadvertant, unilateral disarmament through cost overruns and cost growth. The Army's decision to reduce the procurement objective of AH–64 helicopters from 536 to 446 in the face of substantial cost growth illustrates this point well.

Like the Army, the Navy and Air Force have also experienced their share of cost growth. The Navy's Phoenix and Sparrow missiles have

both risen substantially in cost as has the Air Force's AMRAAM missile. And the Air Force LANTIRN program has doubled in just one year placing that program in jeopardy.

The committee is satisfied that the need exists for each of these programs. However the committee is not persuaded that the need is so great that we should be willing to fund such programs at any price.

Several of the recent initiatives taken by the Defense Department offer considerable hope for controlling cost growth. Efficient production rates, multi-year contracts, increased competition, "should-cost" studies, and realistic inflation estimates are among the more successful of these efforts and are welcomed by the committee. These efforts offer encouragement that cost growth can be controlled, however still greater improvements are achievable and must pursued.

Aircraft and Helicopter Inventory

The following table summarizes Air Force, Navy and Marine Corps aircraft and helicopter inventories.

INVENTORIES

	Fiscal year 1976		Fiscal year 1980		Fiscal year 1982		Fiscal year 1983	
	Active	Reserve	Active	Reserve	Active	Reserve	Active	Reserve
Tactical fighter/attack/strategic interceptor[2]	5,113	1,338	5,445	1,314	5,709	1,500	5,811	1,549
Army attack helicopters[1]	693	6	917	16	976	34	975	34
Navy/Marine Corps aircraft	1,924	256	1,759	254	1,811	279	1,819	267
Air Force aircraft[2]	2,496	1,076	2,769	1,044	2,922	1,207	3,016	1,248
Strategic bomber: Air Force	493	0	414	0	361	0	328	0
Patrol/reconnaissance/electronic warfare	961	317	1,091	404	1,112	389	1,150	382
Army aircraft[1]			129	64	133	61	133	61
Navy/Marine Corps aircraft	556	134	608	150	617	157	625	161
Air Force aircraft	405	183	354	190	362	171	392	160
Airlift tanker	1,752	581	1,529	609	1,527	563	1,535	541
Navy/Marine aircraft	242	45	187	57	154	51	158	44
Air Force aircraft	1,510	536	1,365	552	1,373	512	1,367	497
Utility/support/other	9,516	3,607	8,702	3,428	3,837	3,529	8,923	3,499
Army[1]								
Fixed wing	539	210	228	112	228	124	234	121
Rotary wing	4,406	2,924	4,188	2,877	4,177	2,982	4,205	2,990
Navy/Marine Corps:								
Fixed wing	1,157	59	1,018	44	1,081	39	1,124	39
Rotary wing	1,118	142	1,136	147	1,222	145	1,208	151
Air Force:								
Fixed wing	2,040	230	1,902	213	1,900	204	1,914	161
Rotary wing	254	42	230	35	229	35	238	37
Total:								
Fixed wing	11,362	2,729	10,733	2,680	10,942	2,806	11,120	2,759
Rotary wing	6,473	3,114	6,471	3,075	6,604	3,196	6,627	3,212

[1] Army data for fiscal year 1974-77 from Manager's Information Digest. Reconnaissance Aircraft cannot be separately identified. Attack helicopter and reconnaissance aircraft for fiscal year 1978-fiscal year from 1981 Army Aircraft inventory Status and Flying Time Report. Because records prior to fiscal year 1978 have been retired there can be no assurance that numbers from fiscal year 1974-77 are consistent with each other or with fiscal year 1978 forward.

[2] Several fighter aircraft types were assigned simultaneously to tactical fighter and strategic interceptor forces. It is not possible to make precise division of these forces.

Ground Force Modernization

The following is a summary of ground combat vehicles:

GROUND COMBAT VEHICLES AND ARTILLERY INVENTORY [1]

	Fiscal year—					
	1979	1980	1982		1983	
			Active	Reserve	Active	Reserve
Tanks	8,305	11,563	8,809	3,061	9,736	3,061
Army	8,704	10,987	8,312	2,993	9,158	2,993
Marine Corps	601	576	578	68	578	68
Armored personnel carriers	12,198	15,751	13,220	4,289	13,245	4,300
Army	11,212	14,765	12,304	4,221	12,329	4,232
Marine Corps	986	986	916	68	916	68
Artillery	5,818	5,641	4,186	2,414	5,022	2,253
Army	5,315	5,004	3,040	2,253	3,702	2,092
Marine Corps	683	637	1,146	161	1,320	161

[1] For the period fiscal year 1964–80, only total inventories as displayed in the DOD Manager's Information Digest are available. Because records have been retired the numbers cannot be independently verified and may not be consistent with each other or with fiscal year 1981–83 numbers

Chemical Warfare

The committee completed a comprehensive review of Soviet capabilities to conduct chemical warfare and examined the readiness of U.S. forces to defend themselves and, if necessary, respond to chemical attack. Officials from the intelligence community, the Office of the Secretary of Defense, and the uniformed services were asked to provide information from their various perspectives about the magnitude of the threat of chemical warfare facing U.S. military forces.

The Strategic and Theater Nuclear Forces subcommittee held a series of in-depth hearings on this subject. Witnesses, both those representing government agencies and the armed services and those not affiliated with the government, were called by the subcommittee to testify on a variety of chemical warfare issues.

These hearings had special importance in light of two separate, yet related developments in recent months. First, mounting evidence has become available that appears to support the contention that the Soviets and Soviet-supplied allies are engaged in the use of chemical weaponry in Southwest and Southeast Asia. This demonstrated willingness to employ those horrible instruments of modern war—in violation of several international agreements—has grave implications for U.S. national security.

Secondly, the President, in January, 1982, certified that production of binary chemical munitions was essential to the national interest. In doing so, the President departed from the policy followed by his three predecessors, and proposed to initiate such production as part of a comprehensive, balanced program intended to enhance dramatically the United States' chemical preparedness posture.

This program consists of several elements: (1) a commitment to pursue a verifiable chemical disarmament accord with the Soviet Union; (2) a considerable investment in chemical protective equip-

ment and the research and development necessary to field the most effective defensive systems possible; (3) improved training in chemical warfare operations for U.S. military personnel; (4) initiation of a technology development effort to dispose of obsolete and hazardous chemical weapons and agents, and (5) a production program to replace unserviceable unitary chemical munitions with safe, modern binary weapons.

The committee believes that the administration's program represents the best hope for achieving a satisfactory chemical arms control agreement and for deterring an outbreak of chemical warfare. Once implemented, it should deny the Soviet Union any appreciable advantage it might otherwise gain from maintaining an offensive chemical arsenal. In addition, by making it clear that the United States will, in the absence of such an agreement, maintain the ability to respond to *any* Soviet use of chemical munitions, it will provide a positive incentive for the USSR to begin productive chemical disarmament negotiations.

As a consequence of the committee's hearings on this subject, the following conclusions are inescapable:

(a) In the absence of a credible deterrent, defensive protection alone cannot deter the outbreak of chemical war. Such a posture permits an adversary to fight the war in ways and under circumstances of his choosing;

(b) The credibility of the U.S. chemical deterrent is becoming increasingly marginal: a large proportion of that deterrent is in bulk form, rather than munitions, and is, for all intents and purposes, unusable. A further portion is in a form not compatible with current launcher systems. The remainder is in unitary munitions, which, under the best of circumstances, are inherently hazardous to U.S. personnel because of the toxic agent contained within, and are becoming more so as increasing numbers of those weapons begin to develop leaks;

(c) The threat of Soviet use of chemical weapons—under present circumstances—is great and is increasing. The Soviet Union has trained and equipped its forces systematically for chemical warfare. They appear in Southwest (and, through surrogates, in Southeast) Asia to have demonstrated a willingness to employ such weapons when it suits their purposes to do so. It is evident from the USSR's warfighting doctrine that they expect the battlefields of the future to provide ample opportunity for effectively utilizing chemical munitions.

(d) Chemical disarmament is an important national objective. The United States, however, has been unable to obtain Soviet agreement to a verifiable arms control accord so long as the United States maintains its inferior chemical posture. A credible deterrent is a necessary precondition for negotiating a satisfactory accord.

(e) Binary weapons are more militarily effective and, therefore, a more credible deterrent than the unitary weapons they will replace. The binary chemical stockpile proposed by the President will be *smaller*, yet significantly more effective, than today's inventory.

These conclusions revalidate the committee's support in previous years for improving the U.S. chemical defensive posture and for modernizing the retaliatory arsenal with binary munitions. They also justify the committee's endorsement of the administration's approach to this difficult issue.

On a related matter, the committee believes that the designation of a senior focal point in the Office of the Secretary of Defense for chemical matters is an important and indispensable aspect of any program to ensure genuine chemical preparedness on the part of the U.S. armed forces. The Assistant to the Secretary of Defense for Atomic Energy should undertake to review systematically and in a coordinated manner the deficiencies which continue to exist in the readiness of the military services to perform their respective missions in a chemical warfare environment. To assist him in this effort, the Secretaries of the Army, Navy and Air Force should each appoint a single senior military officer within their respective organizations for overall service responsibility for chemical matters. This individual should be the focal point for his service in DOD-wide activities relating to chemical preparedness and Congressional testimony on related subjects.

PREPAREDNESS PERSPECTIVES

In expanding its authorization responsibilities to include Other Procurement and Ammunition, the committee has improved its ability to review the readiness and sustainability of U.S. forces. Review of these issues through the fiscal year 1983 budget cycle has reinforced previous findings which indicated that the operational readiness and sustainability of U.S. forces is cause for concern.

The principal factors which typically influence readiness and sustainability include: manpower; material readiness; training; the availabiilty of equipment; and the adequacy of force structure.

Improvements in recruiting and in the retention of key, middle-grade non-commissioned officers has produced a solid and positive shift in the personnel readiness of U.S. forces. It is anticipated that these improvements, as measured through the Unit Status Reporting System, can and will be sustained through fiscal year 1983. Nevertheless, while there is cause for optimism, our ability to meet long-term manpower requirements, in terms of both numbers and special skill areas, remains dependent on unpredictable variables such as future commitments to pay and compensation and the state of the economy. Moreover, our ability to meet manpower mobilization objectives in the event of a national emergency also remains in doubt, pending further improvements in mobilization planning.

The material readiness of U.S. forces is slowly improving as a result of initiatives undertaken by the Congress in fiscal year 1981, and continued by the current administration. These improvements are clearly reflected in increased funding for spares and repair parts and in programmed reductions in depot maintenance backlogs. Because of the long-lead times for spare parts, and the higher volume of equipment being cycled through depots, material readiness improvements may be minimal between fiscal year 1981 and fiscal year 1984. Thereafter, the investments made in fiscal year 1981, fiscal year 1982, and fiscal year 1983 are expected to provide tangible increases in material readiness and sustainability.

The committee remains concerned about the services' ability to measure the adequacy and quality of training. Testimony revealed a consistent pattern of skepticism on the part of service staffs in response to the requests for training related funding received from our field

commanders. Given continuing material readiness constraints in key areas, and other competing demands on service budgets such skepticism may, in fact, be warranted. However, it is clear that improved training for both individuals and units remains an important vehicle for near-term improvements in readiness. The committee urges further efforts to refine "minimum" training requirements, and to improve the individual, collective, and combined arms proficiency of our forces.

A basic shortage of major end items in U.S. ground forces is the principal obstacle to improved readiness. Improved personnel and material readiness can result in only marginal improvements in overall capability so long as the force structure remains basically underequipped. This shortage of major end items is most pronounced when measured against mobilization requirements. There are too many shortages in too short a time frame to provide an adequate level of combat sustainability for U.S. forces today. The industrial base cannot reasonably be expected to reduce these shortfalls within a relevant period of time. Accelerated procurement programs and adequate peacetime inventories provide the only sure response to this problem.

A final ingredient essential to combat readiness and sustainability is an adequately sized and properly balanced force structure. Testimony clearly indicates that, in the judgment of our military leadership, today's force structure may not be sufficient to meet the full range of our national security and foreign policy commitments. However, the committee recognizes that even after mobilization competing national security requirements will always require a careful assessment of strategic risks and a discriminating allocation of military resources. The committee supports the administration's ongoing efforts to build a solid foundation for future force structure expansion, while providing near-term emphasis in other resource areas. At the same time, the committee supports a more open dialogue between the administration, the military, and the Congress in hopes of identifying more precisely those long-term military requirements which will have to be met.

BUDGET PERSPECTIVES

The President's Request

The President's fiscal year 1983 request and five year defense projection is indicated in Table I and compared to the two previous five-year plans:

TABLE I

[In billions of current dollars; fiscal years]

	1982	1983	1984	1985	1986	1987
President Reagan's January 1982 budget:						
TOA	[1] 214.2	258.0	285.5	331.7	367.6	400.8
Outlays	[1] 182.8	215.9	247.0	285.5	324.0	356.0
President Reagan's March 1981 budget:						
TOA	222.2	254.8	289.2	326.5	367.5	----------
Outlays	184.8	221.1	249.8	297.3	336.0	----------
President Carter's January 1981 budget:						
TOA	196.4	224.0	253.1	284.3	318.3	----------
Outlays	180.0	205.3	232.3	261.8	293.3	----------

[1] Revised.

The fiscal year 1983 request is 16 percent greater than the March fiscal year 1982 budget, and 21 percent greater than the fiscal year 1982 budget approved by Congress. The fiscal year 1983 request of $258 billion in budget authority is $3.2 billion above the administration's previous projection of $254.8 billion. However, the amended budget request of September 1981 has resulted in a reduction of $5.2 billion in outlays in fiscal year 1983 from the March 1981 projections.

This significant and sustained commitment to increased funding for defense is consistent with the concerns of the Senate as expressed in the First Concurrent Budget Resolution for fiscal year 1981, which projected $117.6 billion more for National Defense Function outlays through fiscal year 1985 than did President Carter. Nevertheless, President Reagan's proposals for the same period fall short of previous Senate projections by $28.3 billion.

Defense Spending in Relation to the National Economy

Figure 1 illustrates the growth in U.S. non-defense spending relative to defense spending since fiscal year 1950 and projected through 1986. In 1955 defense spending equaled non-defense spending, whereas for 1980 nondefense spending was more than three times defense.

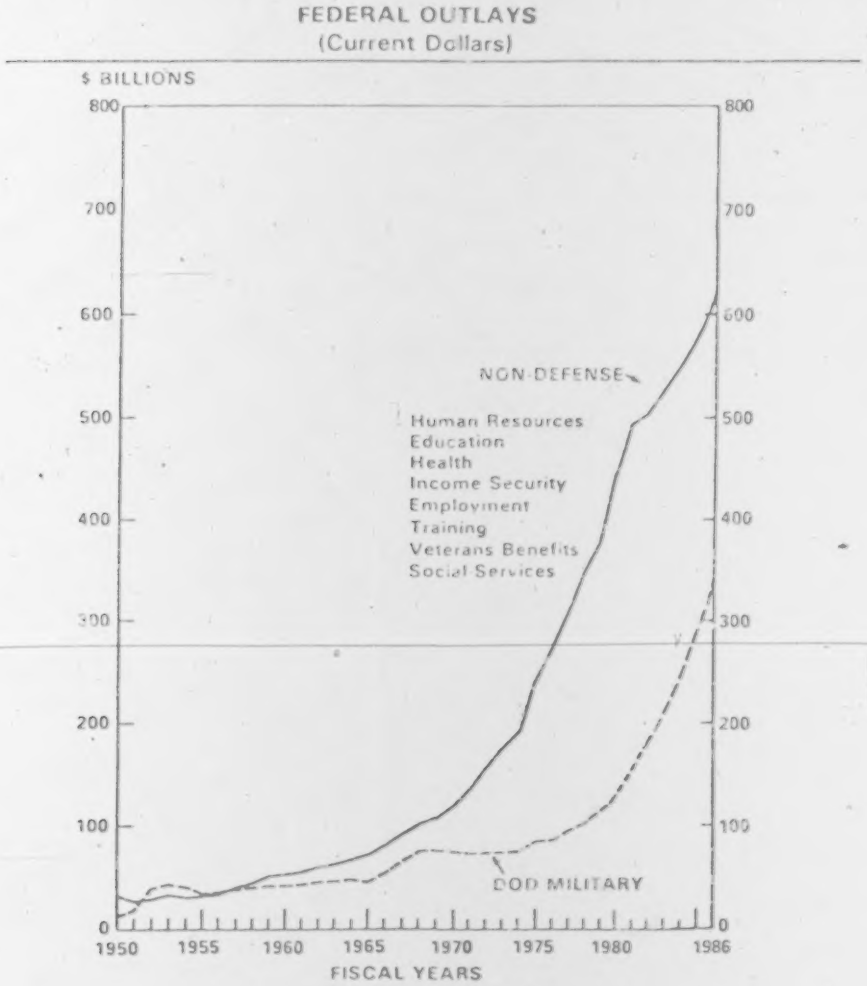


FIGURE 1

Table 2 illustrates that non-defense spending will continue to exceed spending for defense through the five-year plan.

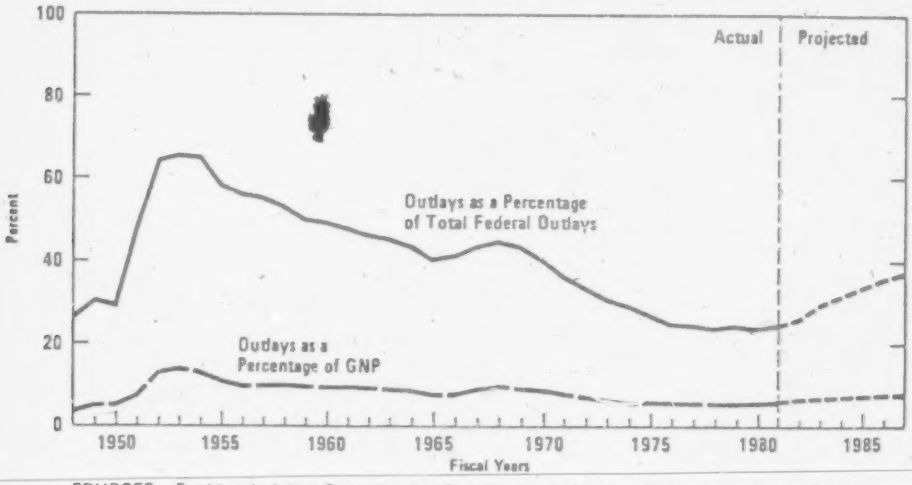
TABLE 2

	Percent share of unified budget (fiscal years)				
	1981	1982	1983	1984	1985
National defense	24.3	25.9	29.2	31.4	33.6
Social security	21.0	21.3	22.9	23.4	23.3
Other payments to individuals	27.2	27.1	25.4	24.4	23.9
Net interest	10.5	11.4	12.7	12.2	11.5
Other nondefense	17.1	14.2	9.8	8.6	7.6
Unified budget outlays	100.0	100.0	100.0	100.0	100.0

Source: "Budget of the United States Government, Fiscal Year 1983," pp. 3–21, 3–23, 9–61.

According to the Congressional Budget Office, administration data indicate that the National Defense Function would increase from 6.1 percent of Gross National Product in 1982 to 7.3 percent in 1986 and 1987. Figure 2 shows the post-World War II trends for defense outlays as a share of GNP and of total federal outlays. Over the 1983–1987 period, the administration's proposed outlays would average 6.9 percent of GNP. CBO notes that this is higher than the average for the preceding five years (1978–1982) during which the average defense share of GNP was 5.4 percent. It is lower, however, than the 10 percent average for several years following the Korean War.

National Defense Outlays as a Percentage of Total Outlays and of GNP



SOURCES: For historical data, Department of Defense; for projections, *Budget of the United States Government, Fiscal Year 1983.*

FIGURE 2

CBO also notes that relative to total federal unified budget outlays, national defense outlays from 1978 to 1982 were about 25 percent—the lowest share since World War II. The administration's 1983 budget indicates that this share would increase to about 37 percent by

1987—a level last reached in 1971. In the post-World War II period, national defense as a percent of unified budget outlays exceeded 37 percent each peacetime year from 1954 to 1970.

Soviet versus U.S. Defense Spending

A comparison since 1960 of U.S. defense spending (excluding Southeast Asia expenditures) with the estimated dollar cost of Soviet defense program is included in figure 3.

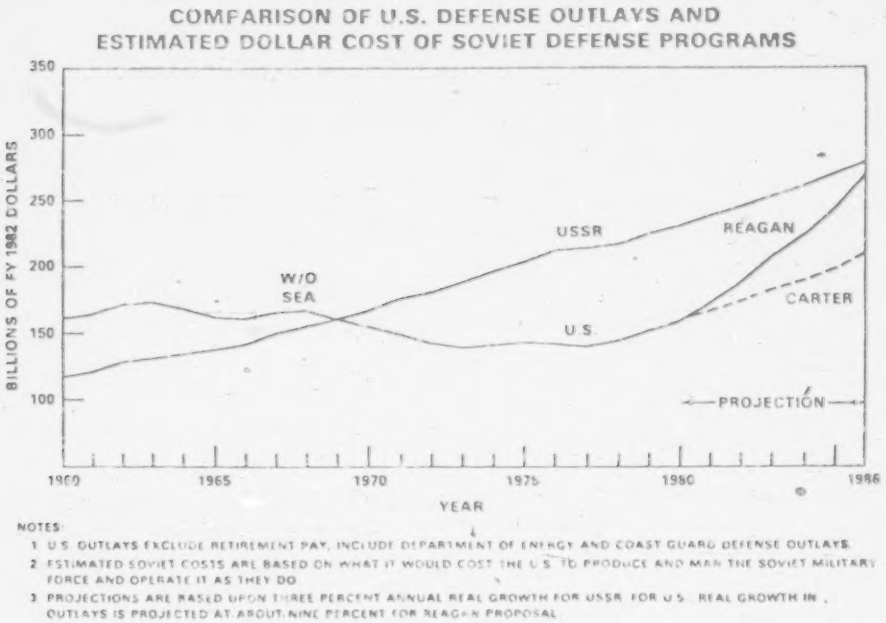

COMPARISON OF U.S. DEFENSE OUTLAYS AND
ESTIMATED DOLLAR COST OF SOVIET DEFENSE PROGRAMS
BILLIONS OF FY 1982 DOLLARS
350
300
250
200
150
100
USSR
REAGAN
W/O
SEA
CARTER
U.S.
PROJECTION
1960
1965
1970
1975
1980
1986
YEAR
NOTES:
1. U.S. OUTLAYS EXCLUDE RETIREMENT PAY, INCLUDE DEPARTMENT OF ENERGY AND COAST GUARD DEFENSE OUTLAYS.
2. ESTIMATED SOVIET COSTS ARE BASED ON WHAT IT WOULD COST THE U.S. TO PRODUCE AND MAN THE SOVIET MILITARY FORCE AND OPERATE IT AS THEY DO.
3. PROJECTIONS ARE BASED UPON THREE PERCENT ANNUAL REAL GROWTH FOR USSR, FOR U.S. REAL GROWTH IN OUTLAYS IS PROJECTED AT ABOUT NINE PERCENT FOR REAGAN PROPOSAL.

FIGURE 3

By 1970 the cost of the Soviet defense effort had surpassed the U.S. effort and in 1980 exceeded the U.S. program by over $70 billion. Even with the revised 5-year defense projection recommended by President Reagan, the estimated cost of the Soviet program will continue to exceed planned U.S. defense expenditures. Moreover, the projected disparity through 1986 between the United States and Soviet defense programs, persists to an even greater degree when a comparison of actual military investment (procurement, research and development, military construction) is made, which excludes costs of manpower and operations (Figure 4). From 1970 to 1980, the total cost of the Soviet defense program exceeded the U.S. program by $532 billion, including $350 billion more for military investment. The value of the Soviet research and development effort alone—which reflects an investment in tomorrow's defense systems—was $90 billion more than the U.S. effort.

FIGURE 4

Defense Budget Planning

The committee is convinced that a sustained and increased defense effort is required. Moreover, it is the commitment to defense programs—not to a defense funding level—that is essential.

It is important to emphasize that the Congress authorizes and appropriates funds consistent with the obligational or budget authority required to implement programs. Actual expenditures or outlays, on the other hand, are a product of the rate-of-spendout of obligated funds and of the exact program content of the defense requests. Defense spending in a given year is in large part due to the expenditure of funds obligated in prior years for programs already authorized. Estimates of current year defense spending, and especially projected defense spending, are uncertain. Moreover, current defense "expenditures" do not reflect new commitments to defense but are the result of past commitments. Fluctuations in defense spending can result simply from changing spending patterns, reflecting no change in defense programs.

As previously stated, the committee is strongly committed to the execution of defense programs and will insist on the budget authority to execute these programs.

The contribution of defense spending to total Federal spending must be accounted for in the attempt by the President and by Congress to balance the Federal Budget. However, the committee is concerned that transient economic concerns, focusing on defense outlays, could undermine our ability to respond to long-term defense problems. It continues to be the committee's position that informed debate surrounding the adequacy of the defense budget must be related to fulfilling foreign policy and national security commitments and meeting the threat within a relevant period of time, rather than setting arbitrary goals for percentage increases.

TITLE I—PROCUREMENT

Background on Procurement Authorization

In 1959, section 338, title 10, United States Code, was amended by enactment of section 412(b) of Public Law 86-149, which required annual congressional authorization of appropriations for the procurement of aircraft, missiles and naval vessels. Over the years, the law has been amended to require annual authorization of additional items such as tracked combat vehicles, torpedoes and related support equipment, and various other weapons.

During the period February 2 through March 26, 1982, the committee and its various subcommittees held hearings on the Department of Defense fiscal year 1983 request. Based on supporting testimony and other information provided to the committee, an exhaustive review of the many procurement programs and related requirements has been made. The committee's recommendations appear in subsequent pages of this report.

Summary of Recommended Funding Changes

The tables below show comparisons of the amounts appropriated for procurement for fiscal year 1982 with amounts requested for authorization in the President's budget for fiscal year 1983 and those recommended by the committee.

SUMMARY OF ADJUSTMENT TO FISCAL YEAR 1983 PROCUREMENT AUTHORIZATION REQUEST: BY WEAPONS CATEGORIES

[Dollar amounts in thousands; years are fiscal years]

	1982 revised current program [1]	1982 supplemental request [1]	1983 request	Change from request	Committee recommendation
Aircraft	$24,878,989	$219,100	$32,084,914	−$887,300	$31,197,614
Missiles	6,729,150		9,674,500	−1,457,100	8,217,400
Weapons and tracked combat vehicles	7,091,400	126,000	8,932,285	−14,800	8,917,485
Ammunition	(2)	(2)	2,633,384	+100,000	2,733,384
Other procurement	(2)	(2)	14,382,847	−95,600	14,287,247
Shipbuilding and conversion	8,638,900	263,400	18,648,300		18,648,300
Procurement, Marine Corps	[2] 637,924	(2)	2,300,700	−102,000	2,198,700
Procurement, Defense Agencies	(2)	(2)	890,284	−12,100	878,184
Army National Guard equipment	50,000	50,000		+50,000	50,000
Army Reserve equipment				+30,000	30,000
Navy Reserve equipment				+30,000	30,000
Marine Corps Reserve equipment				+30,000	30,000
Air Force Reserve equipment				+30,000	30,000
Air National Guard equipment				+30,000	30,000
Total	48,026,272	608,500	89,547,214	−2,268,900	87,278,314

[1] Does not reflect fiscal year 1982 supplemental authorization request for procurement in the amount of $608,500,000; refer to Title IX for summary of committee action on supplemental request.

[2] Prior to fiscal year 1983, authorization for ammunition and other procurement was not required.

SUMMARY OF ADJUSTMENT TO FISCAL YEAR 1983 PROCUREMENT AUTHORIZATION REQUEST: BY SERVICE

[Dollar amounts in thousands; years are fiscal years]

	1982 revised current program[1]	1982 supplemental request[1]	1983 request	Change from request	Committee recommendation
Army	$8,017,600	$126,000	$17,824,074	−$795,900	$17,028,174
Navy	20,994,000	263,400	38,102,356	+64,100	38,165,456
Marine Corps	637,924		2,300,700	−72,000	2,228,700
Air Force	18,376,748	219,100	30,429,800	−1,453,000	28,976,800
Defense agencies			890,254	−12,100	878,184
Total	[2]48,026,272	[2]608,500	[2]89,547,214	−2,268,900	87,278,314

[1] Does not reflect fiscal year 1982 supplemental authorization request for procurement in the amount of $608,500,000; refer to title IX for summary of committee action on supplemental request.
[2] Prior to fiscal year 1983, authorization for ammunition and other procurement was not required.

TACTICAL FIGHTER/ATTACK AIRCRAFT

Committee Recommendations for Changes

AH–64 (Apache) Attack Helicopter

The AH–64 is a highly mobile attack helicopter intended to be the Army's primary, quick reacting, airborne anti-tank weapon. The administration requested $760.3 million for the procurement of 48 aircraft in fiscal year 1983 and $116.5 million for advance procurement. The committee is deeply concerned over the dramatic increase in the unit cost of the AH–64 attack helicopter. Less than one year ago the estimated program unit cost of the AH–64 was $11.2 million (in then year dollars based on a procurement objective of 536 aircraft). The current estimate exceeds $16 million per aircraft (based on a quantity of 446).

The factors causing this increase are well understood. They include the reduction of 90 aircraft from the program, the addition of $528 million to budget to "most likely cost", higher inflation indices, and revised estimates for production costs.

These cost increases, coupled with major uncertainties over the ability of the manufacturer to execute the program, do not justify congressional support at this time. It is the committee's recommendation, therefore, that production of the AH–64 be deferred for one year.

The committee acknowledges that with only minor exceptions the performance of the AH–64 in development has been excellent. The aircraft, if produced, would give our Army a significant improvement in night-fighting and antiarmor capability. The committee's concern, however, is focused on cost—not performance.

Deferral for one year should allow the Army and the manufacturer sufficient time to structure a program which, if approved by Congress, will provide acceptable levels of both confidence and risk. Sufficient funds, in the amount of $73 million, are provided to preserve the option of commencing production in fiscal year 1984. Should Congress or the Department of Defense decide to terminate the program, unobligated funding for fiscal year 1982 and all subsequent years shall be recouped.

The committee recommends an authorization of $73 million only to sustain the option of initiating production in fiscal year 1984. This is a net reduction of $803.8 million from the administration's request. It is the committee's intent that none of the unobligated $444.4 million authorized in the fiscal year 1982 Defense Authorization Bill for the procurement of AH–64 helicopters shall be used for production of the AH–64 until expressly authorized by a future act of Congress.

The committee has chosen not to recommend recission of previously authorized funds. Such funds shall remain available to initiate production should the Congress, in subsequent legislation, decide to proceed with the program.

A–6E (Intruder) Medium Attack Aircraft

The A–6E is an all-weather, carrier-based medium attack aircraft. The administration requested $247.7 million for the procurement of eight (8) A–6E aircraft in fiscal year 1983.

The committee recommends deletion of $229.4 million requested for the procurement of A–6E aircraft. The committee also recommends the deletion of the administration's request for $13.3 million in advance procurement for 8 A–6E's in fiscal year 1984. The authorization of $18.3 million for production line termination costs is recommended.

The Navy currently has 13 aircraft lines in production and plans to have 17 by fiscal year 1985. Virtually none of these lines are producing aircraft at efficient rates. The inevitable results of these low production rates are intolerably high unit costs and wasted resources. The committee believes that steps must be taken to achieve greater efficiencies in the production of naval aircraft. These steps should include increasing production rates wherever practical and terminating production of those aircraft for which adequate inventory levels exist.

The Navy has an excess inventory of A–6E aircraft. In addition, there are 75 Marine A–6E's which, if transferred to the Navy, will meet the Navy's medium attack requirements for 15 carrier air wings until 1994.

The Marine A–6E's may be replaced by one- and two-seat F/A–18's. This will reduce the training, logistics and maintenance burden associated with the relatively small fleet of Marine A–6E aircraft.

Funds denied for the procurement of A–6E aircraft will be applied to increase the production of EA–6B aircraft for which a serious inventory shortfall exists.

F/A–18 (Hornet) Fighter/Attack Aircraft

The F/A–18 Hornet is a high performance, carrier-based aircraft designed to perform both fighter and attack missions. The administration requested $2,443.9 million for the procurement of 84 F/A–18's in fiscal year 1983 and $283.7 million for advance procurement of 96 aircraft in fiscal year 1984.

The committee recommends the authorization of $2,443.9 million for the procurement of 84 F/A–18 aircraft. In addition, the committee recommends $319.2 million—an increase of $35.5 million over the administration's request—for advance procurement of 108 aircraft (vice 96) in fiscal year 1984. This action will enable the Navy to attain one year earlier the desired steady production rate of 132 aircraft per

year. This in turn is expected to reduce the total program cost by approximately $500 million.

The committee continues to support the F/A–18. Highly favorable performance reports and the decline in unit cost associated with higher production rates appear to justify the vigorous support expressed by representatives of both the Navy and Marine Corps.

Unfortunately, failure of the manufacturer of the aft fuselage to achieve production economies expected at the current level of program maturity discredits the otherwise successful efforts of the Navy and the prime contractor to control the cost growth of the F/A–18. The committee would favorably consider a proposal to establish an alternate source for those components if more immediate measures to impose cost discipline are not successful.

A–10 (Thunderbolt) Attack Aircraft

The A–10 is a single-piloted, twin engine, close air support aircraft. The administration requested $357.3 million for the procurement of 20 A–10's in fiscal year 1983.

The committee believes the Air Force has procured all the A–10's they will require. The aircraft's performance, survivability and high unit cost at low production rates do not justify continued procurement.

The committee, therefore, recommends the deletion of $324.3 million of the total amount requested for the procurement of A–10 aircraft in fiscal year 1983. An authorization of $33 million is recommended to fund line closing costs.

F–15 (Eagle) Fighter Aircraft

The F–15 Eagle is a high performance, air superiority fighter. The administration requested $1,296.8 million for the procurement of 42 F–15 aircraft in fiscal year 1983. The committee recommends the authorization of $1,405.2 million (an addition of $108.4 million) for the procurement of 48 aircraft. These aircraft are needed in the active inventory to maintain force structure and will also be used to replace obsolete F–106's in the Air Defense Command. The addition of six F–15's to the administration's request reduces the average aircraft cost by $1.6 million each.

The committee recognizes that additional procurement of both F–15's and F–16's beyond the originally projected quantities will be required in order to meet attrition requirements and to maintain an acceptable average force age. To accomplish this the Air Force has proposed to increase the procurement objective for F–15's from 765 aircraft to 1,395. A similar increase has been proposed for the F–16. It is worth noting that in spite of the proposed higher procurement rates the average age of the force continues to increase.

The committee's action, however, should not be construed as a final endorsement of these new procurement objectives. Rather this action should be understood only to reflect the committee's determination to meet our defense requirements as efficiently as possible.

While additional F–15's are being procured to permit the one-for-one replacement of F–106's in the Air Defense Command (ADC) the committee wishes to make clear that new production aircraft will not be assigned to ADC. F–15's assigned to ADC are to be the older F–15A/B's

drawn from the current tactical inventory. New production F–15C/D's are not to be assigned to ADC units.

The Air Force requested $305.4 million for two years of F–15 advance procurement. Inadequate justification was provided for this request and therefore, the committee recommends the amount designated for the second year, $102.9 million, be deleted. The fiscal year 1983 advance procurement of $202.5 million is recommended for approval.

F–16 (Falcon) Fighter Aircraft

The administration requested $1,735.4 million for the procurement of 120 aircraft in fiscal year 1983 and $223.3 million for advance procurement for 120 aircraft in fiscal year 1984. The committee recommends authorization of the administration's request for fiscal year 1983 procurement of 120 aircraft. However, the committee recommends authorization of $390.6 million in advance procurement for 180 aircraft in fiscal year 1984 and fiscal year 1985, an increase of $167.3 million over the fiscal year 1983 request.

Additional F–16's will be required to fill out force structure, meet attrition requirements and to continue the modernization of the Air National Guard and Air Force Reserves. It remains the position of the committee that production of our tactical aircraft should proceed at the most economical rate practicable. The committee expects the Air Force to achieve and maintain a production rate of 180 F–16's per year until inventory requirements are met.

This increased production rate should permit the Air Force to accelerate the modernization of Guard and Reserve forces. These units are to be equipped with older F–16A/B's as new F–16C/D's are delivered to the active inventory.

Recommended for Approval as Requested

AV–8B Harrier V/STOL Attack Aircraft

The AV–8B Harrier is a vertical take-off-and-land attack aircraft which will replace the AV–8A in the Marine Corps inventory. The committee recommends approval of $677.1 million requested for the procurement of 18 AV–8B's and $73.9 million for advance procurement.

The committee's support for the AV–8B is tempered by the cost of the aircraft and the safety record of its predecessor, the AV–8A.

The AV–8B program will require approximately $10.6 billion (in then-year dollars) to procure 342 aircraft. Comparing program unit costs (in constant fiscal year dollars), the AV–8B is now more expensive than the F/A–18 (AV–8B is $24.5 million each, F/A–18 is $22.8 million). If produced in similar quantities the AV–8B would undoubtedly be less expensive than the F/A–18, but there is no requirement for an AV–8B force the size of the F/A–18 force.

The average annual accident rate of the AV–8A is currently the highest of any aircraft in the active Navy and Marine Corps inventory. The Marines have provided assurances that modifications in the engine and flight control system will produce an AV–8B considerably safer than the AV–8A; however, these improvements have yet to be fully demonstrated. The engine-related loss of one YAV–8B prototype is not encouraging.

The committee's future support for the AV-8B will be directly influenced by the safety record the aircraft accumulates.

F-14 (Tomcat) Fighter Aircraft

The F-14 Tomcat is a two-place, variable geometry, fleet defense fighter. With its long-range Phoenix missiles, the F-14 is capable of protecting the fleet from the threat posed by Soviet Backfire bombers. The committee recommends approval of the administration's request to procure 24 F-14 aircraft.

STRATEGIC AIRCRAFT

Recommended for Approval as Requested

B-1B Bomber

The administration requested $4.03 billion for procurement of seven B-1B bombers and associated spares and $753.5 million for research and development. These funds are recommended for authorization.

An important element of the administration's plan for modernizing the United States' strategic forces was the decision to acquire the B-1B bomber as part of a two-phase bomber modernization program. While the committee has strongly supported an aggressive technology development effort for the Advanced Technology Bomber, which the President intends to deploy as a follow-on to the B-1B, it believes the multi-mission B-1B will be, for many years to come, a valuable component of the U.S. strategic deterrent.

A central aspect of the administration's decision to procure the B-1B is its firm commitment to thorough and effective program management and cost containment. The President certified to the Congress on January 18, 1982, that the B-1B would attain an Initial Operational Capability in 1986 and that the acquisition costs for 100 B-1B aircraft would be $20.5 billion in constant 1981 dollars. In his certification message, the President recognized the important role that Congressional support and timely funding of requests associated with the B-1B would play in meeting this ambitious schedule and cost profile. The committee expects to do its part in this regard, but at the same time, serves notice that it will be playing an aggressive role in monitoring closely B-1B programmatic and cost performance.

The committee commends the administration for its effort to impose careful and thorough management control over the B-1B development and production effort. Alert and ongoing oversight of this program by both the Department of Defense and the Congress is essential if program modifications, cost growth and schedule slippage (which could jeopardize public and congressional support for this aircraft) are to be avoided.

Of special concern in this regard is the consideration apparently being given to accelerating the Initial Operational Capability of the B-1B. The committee feels that it may not be possible to achieve this desirable goal without an adverse impact upon the B-1B's cost profile or increasing the already challenging management task involved in keeping this production program in line with the President's certification objectives. The Department is encouraged to proceed with

extreme caution in altering the program further in order to achieve an earlier IOC.

E–4B Airborne Command Post

The E–4 aircraft provides survivable command and control capabilities to the National Command Authority and the Commander-in-Chief of the Strategic Air Command. No funds were requested by the administration in fiscal year 1983 for procurement of E–4B aircraft.

The committee was surprised to learn that this long-standing priority for those concerned about the survivability of the nation's command, control and communications system—i.e. the procurement of a fifth, sixth, and seventh E–4B Airborne Command Post—has been deleted from not only the fiscal year 1983 budget but from the out-years of the five-year defense plan, as well.

The Secretary of Defense is requested to provide the committee with a study by December 1, 1982 describing the plans under consideration for the modernization of the World-Wide Airbone National Command Post System. The specific rationale for scaling back the E–4B program and the alternatives under consideration for modernizing the Post-Attack Command and Control System aircraft (PACCS) and Commanders-in-Chief Airborne Command Posts should be included in this study.

The committee is also recommending bill language requiring the relocation of the E–4 aircraft from Andrews Air Force Base inland unless the President certifies that its continued basing at that site is essential to and supportive of the national security. The committee believes such relocation is urgently required to eliminate the inviting target its present deployment presents to submarine-launched ballistic missile attack.

PATROL/RECONNAISSANCE/ELECTRONIC WARFARE AIRCRAFT

Committee Recommendations for Change

EA–6B (Prowler) Electronic Countermeasures Aircraft

The EA–3B is a carrier-based, electronic jammer aircraft designed to protect strike aircraft by jamming enemy radars.

The Navy requested $289.9 million in procurement and $26.7 million in advance procurement for 6 EA–6B electronic warfare aircraft. The committee recommends the authorization of $494.4 million for the procurement of 12 aircraft in fiscal year 1983 and advance procurement of $44.9 million for 12 aircraft in fiscal year 1984. This represents a total increase of $222.7 million.

This increased production rate will enable the Navy to achieve its inventory objective at a more efficient rate than was previously planned (6 aircraft per year) and should reduce the total program cost.

EH–60 Quick Fix

The EH–60A Quick Fix is a heliborne electronic jamming system mounted in a UH–60 aircraft. The administration requested $33 million for advance procurement in fiscal year 1982.

The authorization of a multi-year contract for the UH–60 Blackhawk will reduce by $7.9 million the amount required for advance procurement for the EH–60A. The committee recommends an authorization of $25.4 million for EH–60A advance procurement.

Recommended for Approval as Requested

TR–1 Surveillance Aircraft

The TR–1 is a single crew, single engine, fixed wing aircraft designed as a platform for high altitude stand-off surveillance. The committee is concerned over the rising cost of the TR–1 but nevertheless recommends approval of the administration's request for 4 aircraft. The committee will continue to monitor closely the cost of the TR–1 and expects both the Air Force and the manufacturer to exert much greater efforts to prevent future cost growth.

SH–60B LAMPS–III ASW Helicopter (SEAHAWK)

The administration requested $858.4 million for the procurement of 48 SH–60B ASW helicopters and $137 million for the advance procurement of 64 SH–60B's in fiscal year 1984.

The SH–60B ASW helicopter is the air subsystem of the light airborne multipurpose system (LAMPS) MK–III weapon system. The LAMPS–III is a computer integrated ship/helicopter system optimized for antisubmarine warfare (ASW), but includes secondary missions of antiship surveillance and targeting (ASST), search and rescue (SAR), vertical replenishment (VERTREP), and naval gunfire support (NGFS). The SH–60B helicopter will carry sonobuoys, MK–46 torpedoes, and electronic equipment for the processing and transmission of acoustic and electronic warfare data.

The committee strongly endorses the LAMPS–III ASW helicopter program, and recommends the authorization of the administration's full request. The SH–60B helicopter has performed remarkably well during evaluations conducted this past year, and cost growth problems experienced in development appear to be under control. With the success of the SH–60B portion of the LAMPS–III system in tests ashore and at sea in a broad range of hostile and permissive environments, the LAMPS–III system has proven that it will add a significant dimension to the fleet's ASW capabilities and will provide the vital edge that will keep the Navy abreast or ahead of the qualitative improvements in the Soviet submarine force.

AIRLIFT/TANKER AIRCRAFT

Committee Recommendations for Change

KC–10A

The KC–10A Advanced Tanker/Cargo Aircraft (ATCA) is a military derivative of the commercial DC–10–30F widebody aircraft. The KC–10A provides the Air Force considerable flexibility since it can (1) carry cargo, (2) refuel C–141's and C–5's (thus extending their range and take-off payload) and (3) deploy tactical fighter squadrons by carrying personnel and equipment while simultaneously refueling the deploying aircraft. The Air Force has already procured 16 KC–10A's (4 in fiscal year 1980 and 6 in both fiscal years 1981 and

1982). Under the current contract, the Air Force has options to purchase 44 additional KC–10A's at favorable prices.

The administration requested $528.8 million to procure 8 KC–10A aircraft, $261.3 million in advance procurement, and $39.0 million for initial spares. Since submission of the authorization request for fiscal year 1983, the Department of Defense has developed, but has not yet submitted, a multi-year procurement proposal for KC–10A's. Justification data for a multi-year procurement request show proposed savings over the five-year program of $658.0 million over an annual procurement program and $215.7 million over the President's budget request.

The committee agrees with plans for multi-year procurement of KC–10A's. Accordingly, the committee recommends authorization of funds to implement multi-year procurement: 8 KC–10A's costing $354.0 million, $441.0 million in advance procurement, and $28.0 million for initial spares.

In a related action, the committee has recommended supplemental authorization in fiscal year 1982 of $120.0 million in advance procurement for the KC–10A program. The supplemental authorization requested $115.0 million for 2 KC–10A's and $5.0 million for initial spares. The committee's recommendation for advance procurement funds is consistent with a multi-year procurement approach.

C–130H (Hercules) Airlift Aircraft

The authorization request for fiscal year 1983 did not include funds for C–130H tactical airlift aircraft.

The committee recommends the addition of $75 million for the procurement of 4 C–130H aircraft for active Air Force airlift squadrons. This procurement will enable the Air Force to transfer four earlier models of the C–130 aircraft to the Air National Guard.

European Distribution System Aircraft (EDSA)

The European Distribution System Aircraft (EDSA) is a small, commercial short take-off and landing (STOL) cargo aircraft to be used to distribute critical Air Force spare parts in Europe. EDSA is a part of a new Air Force program designed to give greater combat readiness and sustainability to U.S. Air Forces in Europe. Given the quantity of tactical airlift available in Europe, the committee recommends that the authorization request of $5.0 million for 2 EDSA be denied. In a related action, the committee also recommends that the authorization request for $2.557 million in R&D funds for Operational Support Airlift be denied. This R&D effort would be in support of the EDSA program.

Recommended for Approval as Requested

C–5B

The administration requested $700.0 million for 2 C–5B's and $100.0 million in advance procurement. The C–5B is an updated version of the C–5A strategic airlift aircraft. There are presently 77 C–5A aircraft in the U.S. Air Force inventory.

The Congressionally Mandated Mobility Study (CMMS) has shown that there are substantial deficiencies in U.S. airlift capabilities. The CMMS recommends that 10 million ton miles per day of outsize

capability be procured. To reduce the deficiency in outsize airlift capability, 50 C–5B's are planned for procurement.

The committee agrees that there is a substantial shortfall in airlift capabilities and that the most serious deficiency appears to be in outsize cargo lift.

UTILITY/SUPPORT/OTHER AIRCRAFT

Committee Recommendation for Change

UH–60 Blackhawk Helicopter

The UH–60 Blackhawk helicopter is the Army's squad-carrying helicopter designed to lift an infantry squad of 11 combat-equipped soldiers in tactical assaults and related combat support missions. The administration requested $508.6 million for the procurement of 96 aircraft in fiscal year 1983 and $207.6 million in advance procurement for 84 aircraft in fiscal year 1984. The UH–60 has been proposed by the Army for a multi-year contract (fiscal years 1982 through 1984).

After considerable disruption in the early years of UH–60 production, it appears that the program has stabilized. The committee is persuaded that as a result of vigorous management initiatives on the part of both the Army and the manufacturer there exists a sufficient level of stability to justify authorizing a multi-year contract. This multi-year contract should result in a total program savings of more than $80 million. In addition, this method of contracting will permit the reduction of $85.6 million from the funds required to procure 96 helicopters in fiscal year 1983 and $61.7 million from the amount requested for advance procurement.

The committee recommends the authorization of $423 million for procurement of 96 aircraft and $145.9 million in advance procurement funds. In addition, the committee approves the administration's proposal to execute multi-year contracts for the UH–60 airframe and engine.

Recommended for Approval as Requested

TACAMO Program

TACAMO is an airborne communications system providing strategic connectivity with the fleet ballistic missile submarine force. The administration has requested $103.8 million for procurement and $14.853 million for RDT&E for the TACAMO system. An additional $41.6 million is requested for research and development on a new aircraft platform, designated ECX, for the TACAMO mission. The committee recommends the authorization of these funds.

Concerns about the continued capability of the EC–130Q aircraft which currently operate as platforms for the TACAMO communications system have prompted programs to improve and modernize the existing airframes and to replace older aircraft as they reach the end of their useful service life. The committee acknowledges receipt of a study performed in response to its fiscal year 1982 Defense Authorization report concerning the optimal means of modernizing the TACAMO system. This report found that the preferred means involved replacement of the EC–130Q's with a new, more capable airframe. The committee concurs with this assessment and recommends

the authorization of the requested funds for competitive selection of such a replacement airplane.

The committee also believes that the command, control and communications suite deployed aboard the TACAMO aircraft is in need of replacement. Testimony from the Navy indicated that a block retirement of this equipment would be preferable to the evolutionary approach being taken because of fiscal constraints. The committee is proposing bill language restricting the expenditure of the $56.8 million associated with procurement of two additional Airborne Very Low Frequency Communications suites, which represent vintage 1950's and 1960's technology, pending submission of a study by the Navy concerning the feasibility and costs associated with proceeding on an accelerated basis to procure a modern TACAMO C [3] suite to be installed in the new ECX airframe at the earliest possible time. An additional $3 million is recommended to perform this study of the specific command, control and communications requirements, and equipment necessary to meet them, which would form the basis for a future procurement of such equipment in the event this option is validated.

CH–53E Sea Stallion

The CH–53E Sea Stallion is the Navy and Marine Corps heavy lift helicopter. The committee recommends approval of the administration's request for 11 CH–53E's.

AIRCRAFT MODIFICATIONS

Committee Recommendation for Change

KC–135 Reengining Program

The administration has requested $490.6 million to reengine twenty KC–135 air-refueling tanker aircraft with CFM–56 engines. Also, $26.3 million is requested for research and development connected with the CFM–56 reengining effort. The committee recommends these funds be approved.

In fiscal year 1982, Congress directed the expenditure without authorization of $56 million for the procurement of Boeing 707 aircraft owned by U.S. airlines. These aircraft were to be used as a source of JT–3D engines and parts for reengining of KC–135 aircraft. These funds and an additional $29 million for operations and maintenance, were additive to the $234 million programed for reengining a portion of the KC–135 fleet with the CFM–56 engine.

The committee recommends the authorization of the funds appropriated for JT–3D reengining in 1982 (see title X of this report) and $115 million for equipping an additional 28 aircraft with JT–3D's in 1983. It directs that the aircraft so modified be Air National Guard and Air Force Reserve tanker assets.

The committee continues to support the CFM–56 reengining program for the active force tanker fleet and believes this program to be complementary to, not in competition with, the proposed procurement of KC–10 tanker/cargo aircraft.

Recommended for Approval as Requested

C–5, C–141, and C–130 Modifications

The committee supports the modification programs to improve the capabilities and to extend the life of the fleet of existing strategic and tactical airlift. Key among these programs is the C–5 wing replacement. The authorization request includes $419.8 million for these modification programs.

SUMMARY OF AIRCRAFT PROCUREMENT

Fiscal Year 1983 Army Aircraft Procurement Request

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Fixed wing:						
C–12 cargo airplane	6	$11.0			6	$11.0
RC–12D reconnaissance airplane	6	41.2			6	41.2
Rotary:						
EH–60A helicopter		33.3		−7.9		25.4
AH–64 attack helicopter	48	(824.7)	−48	(−687.3)	0	(137.4)
Less advance procurement (PY)		(−64.4)				(−64.4)
Net		760.3		−687.3		73.0
AH–64 attack helicopter advance procurement (CY)		116.5		−116.5		0
UH–60A Blackhawk helicopter	96	(569.2)		(−85.6)	96	(483.6)
Less advance procurement (PY)		(−60.6)				(−60.6)
Net		508.6		−85.6		423.0
UH–60A Blackhawk advance procurement (CY)		207.6		−61.7		145.9
Modification of aircraft		405.6				405.6
Aircraft spares and repair parts		482.5				482.5
Support equipment and facilities		179.3				179.3
Total, Army aircraft		2,746.9		−959.0		1,786.9

Fiscal Year 1983 Navy Aircraft Procurement Request

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Combat aircraft:						
A–6E attack aircraft	8	($253.0)	−8	(−$229.4)	0	($25.6)
Less advance procurement (PY)		(−7.3)				(−7.3)
Net		247.7		−229.4		18.3
A–6E attack aircraft advance procurement (CY)		13.3		−13.3		0
EA–6B electronic warfare aircraft	6	(306.8)	+6	(+204.5)	12	(511.3)
Less advance procurement (PY)		(−16.9)				(−16.9)
Net		289.9		+204.5		494.4
EA–6B electronic warfare aircraft advance procurement (CY)		26.7		+18.2		44.9
AV–8B (V/STOL) aircraft	18	(714.1)			18	(714.1)
Less advance procurement (PY)		(−37.0)				(−37.0)
Net		677.1				677.1
AV–8B (V/STOL) aircraft advance procurement (CY)		73.9				73.9
F–14A fighter aircraft	24	(1,096.4)			24	(1,096.4)
Less advance procurement (PY)		(−181.1)				(−181.1)
Net		915.3				915.3
F–14A fighter aircraft advance procurement (CY)		202.4				202.4

Fiscal Year 1983 Navy Aircraft Procurement Request—Con.

[Dollar amounts in millions]

	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Combat aircraft—Continued						
F-18 fighter aircraft	84	(2,633.6)			84	(2,633.6)
Less advance procurement (PY)		(−189.7)				(−189.7)
Net		2,443.9				2,443.9
F-18 fighter aircraft advance procurement (CY)		283.7		+35.5		319.2
CH-53E helicopter	11	(258.1)			11	(258.1)
Less advance procurement (PY)		(−2.5)				(−2.5)
Net		255.6				255.6
CH-53E helicopter advance procurement (CY)		33.5				33.5
AH-1T helicopter		17.2				17.2
SH-60B ASW helicopter	48	(995.8)			48	(995.8)
Less advance procurement (PY)		(−137.4)				(−137.4)
Net		858.4				858.4
SH-60B ASW helicopter advance procurement (CY)		137.0				137.0
P-3C patrol aircraft	6	(335.0)			6	(335.0)
Less advance procurement (PY)		(−54.4)				(−54.4)
Net		280.6				280.6
P-3C patrol aircraft advance procurement (CY)		48.8				48.8
E-2C early warning aircraft	6	(336.8)			6	(336.8)
Less advance procurement (PY)		(−20.6)				(−20.6)
Net		316.2				316.2
E-2C early warning aircraft advance procurement (CY)		21.3				21.3
SH-2F ASW helicopter	18	(189.1)			18	(189.1)
Less advance procurement (PY)		(−20.1)				(−20.1)
Net		169.0				169.0
SH-2F ASW helicopter advance procurement (CY)		20.4				20.4
Airlift aircraft:						
C-9 Skytrain II		16.2				16.2
C-2	8	(251.9)			8	(251.9)
Less advance procurement (PY)		(−33.0)				(−33.0)
Net		218.9				218.9
C-2 advance procurement (CY)		48.9				48.9
Trainer aircraft:						
T-34C	30	34.4			30	34.4
TH-57	21	23.2			21	23.2
Other aircraft:						
EC-130Q (Tacamo)		36.8				36.8
Modification of aircraft		1,311.1				1,311.1
Aircraft spares and repair parts		2,080.9		+20.0		2,100.9
Support equipment and facilities		480.0				480.0
Total, Navy aircraft		11,582.3		+35.5		11,617.8

Fiscal Year 1983 Air Force Aircraft Procurement Request

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Strategic Offensive:						
B-1B	7	($3,650.1)			7	($3,650.1)
Less advance procurement (PY)		(−257.0)				(−257.0)
Net		3,393.1				3,393.1
B-1B advance procurement (CY)		475.0				475.0
Tactical forces:						
A-10A/B	20	(398.3)	−20	(−$324.3)		(74.0)
Less advance procurement (PY)		(−41.0)				(−31.0)
Net		357.3		−324.3		33.0
F-5E/F	3	(33.3)			3	(33.3)
Less advance procurement (PY)		(−4.8)				(−4.8)
Net		28.5				28.5
F-15A/B/C/D/E	42	(1,422.2)	+6	(+108.4)	48	(1,530.6)
Less advance procurement (PY)		(−125.4)				(−125.4)
Net		1,296.8		+108.4		1,405.2
F-15A/B/C/D/E advance procurement (CY)		305.4		−102.9		202.5
F-16A/B	120	(2,107.7)			120	(2,107.7)
Less advance procurement (PY)		(−372.3)				(−372.3)
Net		1,735.4				1,735.4
F-16A/B advance procurement (CY)		223.3		+167.3		390.6
Other combat aircraft:						
KC-10A ATCA	8	528.8		−174.8		354.0
KC-10A ATCA advance procurement (CY)		261.3		+179.7		441.0
E-3A	2	(232.9)			2	(232.9)
Less advance procurement (PY)		(−92.3)				(−92.3)
Net		140.6				140.6
E-3A advance procurement (CY)		25.7				25.7
Strategic airlift:						
C-5B	2	(970.0)			2	(970.0)
Less advance procurement (PY)		(−270.0)				(−270.0)
Net		700.0				700.0
C-5B advance procurement (CY)		100.0				100.0
Tactical airlift:						
C-130H		0	+4	+75.0	4	75.0
European distribution system aircraft	2	5.0	−2	−5.0	0	0
Other aircraft:						
TR-1A	4	(155.4)			4	(155.4)
Less advance procurement (PY)		(−9.6)				(−9.6)
Net		145.8				145.8
TR-1A advance procurement (CY)		10.7				10.7
Modification of in-service aircraft		2,600.0		+115.0		2,715.0
Aircraft spares and repair parts		3,656.6		−2.2		3,654.4
Support equipment and facilities		1,767.4				1,767.4
Total, Air Force aircraft		17,756.7		+36.2		17,792.9

MISSILE PROCUREMENT

AIR-TO-AIR MISSILES

Recommended for Approval as Requested

AIM–7M Sparrow

The AIM–7M Sparrow missile is a joint Navy/Air Force, medium range air-to-air missile with semi-active radar guidance. Although reliability problems were identified during the missile's operational evaluation (OPEVAL) the committee has been persuaded that it is more prudent to continue production of the missile than to suspend production and wait until all fixes have been adequately demonstrated. There currently exists in both the Air Force and Navy a serious shortfall of air-to-air missiles. The AIM–7M, despite its reliability problems, is still a more capable and more reliable missile than its predecessor, the AIM–7F. The most recent tests of the AIM–7M indicate that the reliability problems have been solved. The committee therefore recommends approval of the administration's request for procurement of Sparrow missiles.

AIM–9M Sidewinder

The AIM–9M Sidewinder is a joint Navy/Air Force short-range, air-to-air missile with heat seeking (infra-red) guidance. The AIM–9M is the newest version of this very successful air-to-air missile. The committee recommends approval of the administration's request for the procurement of Sidewinder missiles.

AIM–54C Phoenix

The AIM–54C Phoenix is the Navy's long-range air-to-air interceptor missile employed by the F–14 fighter. The AIM–54C incorporates advanced digital electronics and an improved target detector designed to enhance current operational capabilities. The committee recommends approval of the administration's request for AIM–54C Phoenix missiles.

AIR-TO-GROUND MISSILES

Committee Recommendation for Change

IIR Maverick

The administration has requested $342.6 million for the procurement of Imaging Infrared (IIR) Maverick missiles. The IIR Maverick is one of several weapons designed primarily to destroy tanks. Maverick has other applications, but is primarily a tank-killer. The Air Force has projected a procurement objective of more than 60,000 missiles with significant deliveries beginning sometime after fiscal year 1985.

The development and testing of the IIR Maverick missile have been extended as a result of deficiencies identified during the Initial Operational Testing and Evaluation (IOT&E). The decision to enter full-scale production has been postponed until the Air Force is satisfied that these discrepancies have been corrected. The committee commends the Air Force for this decision.

Given the prospects for stand-off anti-armor capability in such programs as Assault Breaker, Conventional Stand-off Weapon, Corps Support Weapon System, and the Multiple Launch Rocket System (with terminally guided submunitions)—in addition to such direct fire weapons as Hellfire, Tow, Viper, Laser Maverick and 30mm cannon—the committee believes that the inventory objective of 60,000 IIR Mavericks may not be justified.

Nevertheless, the committee recognizes that the IIR technology offers an improvement in performance over the current electro-optical (or TV) Maverick guidance. The IIR Maverick will function in battlefield conditions of smoke and haze (as well as darkness) where the TV Maverick cannot. Furthermore, while this technology has been proposed for several other weapons (including Hellfire and Harpoon) we have yet to field a single weapon with this type of guidance. There will be future applications, and therefore the committee believes the effort should continue.

The postponement of full-scale production slips the Initial Operating Capability (IOC) of the IIR Maverick nearer the IOC range of the stand-off weapons. This alone should compel the Air Force to reassess the contribution IIR Maverick makes to our tank-killing arsenal. To ensure this result the committee directs the Secretary of the Air Force to reevaluate the requirement for the IIR Maverick taking into consideration the competing anti-armor weapons with IOC's close to that of Maverick. Special consideration should be devoted to determining a justifiable inventory objective.

The committee believes that establishing a second source manufacturer in the face of current program uncertainties is unwarranted. This effort, like the full-scale production decision, should be postponed. Therefore, $25 million authorized in fiscal year 1982 for the establishment of a second source, will not be required.

Of $231.2 million authorized in fiscal year 1982 only $195 million will be required in that year since the quantity to be procured has been reduced from 490 to 200 missiles. For fiscal year 1983 the committee recommends authorization of $244.9 million. The $36.2 million remaining from the fiscal year 1982 authorization may be recouped for expenditure in fiscal year 1983.

Recommended for Approval as Requested

AGM–88 Harm

The AGM–88 Harm missile is an air-to-ground defense suppression weapon designed to destroy enemy radar units. Both the Air Force and Navy will procure the Harm missile in fiscal year 1983 at a total authorization level of $336.6 million and 414 missiles. The Harm missile is the only lethal defense suppression missile now in production and represents a considerable extension of present capabilities. The committee strongly supports the procurement of this weapon and recommends approval of the administration's request.

SURFACE-TO-AIR MISSILES

Recommended for Approval as Requested

Patriot Air Defense Missile System

The Patriot Missile Air Defense System experienced reliability and maintainability problems during development. Such difficulties are not unexpected in a development program and it appears now that the Army and the manufacturer have corrected the reliability shortcomings. However, the system's maintainability remains at issue since time constraints forced the delay of additional maintainability testing. This additional testing, scheduled to demonstrate the system's maintainability, is now scheduled for the component/system design review and follow-on evaluation scheduled for 1982 and 1983.

The committee has been persuaded by the Army that any modifications which may evolve from these additional tests will involve only changes in maintenance functions and diagnostic software but will not involve any hardware changes in the system.

The committee recognizes the dramatic improvement in air defense capability that the Patriot will give to our ground forces. Patriot represents an entire generation of improvements over the currently fielded Hawk system.

The committee recommends approval of the administration's request for $805.1 million to procure Patriot Air Defense Missile systems.

Roland Air Defense System

The Roland is an all-weather, short-range surface-to-air missile system designed for point defense of rear areas against low altitude targets. The administration has requested $61.3 million for the procurement of Roland systems. Fiscal year 1983 is expected to be the last year for U.S. procurement of Roland. The committee recommends approval of the administration's request.

Stinger Air Defense Missile

The Stinger is a short-range, clear weather, shoulder-fired, surface-to-air missile that will replace the Redeye missile. The Stinger is being procured by both the Army and Marine Corps. The committee recommends approval of the administration's request for Stinger missiles.

SURFACE-TO-SURFACE MISSILES/PROJECTILES

Five-Inch Semi-Active Laser-Guided Projectile (SAL–GP)

No funds were requested by the administration for procurement of 5-inch Semi-Active Laser-Guided Projectiles (SAL–GP). Procurement was to have been initiated with $12.7 million that was appropriated in fiscal year 1982.

The Department of the Navy recently completed a very successful operational and technical evaluation of the 5-inch SAL–GP, nearing the end of a research program that has expended almost $1 billion and would have been completed in fiscal year 1983. The program was designed to provide accurate naval gunfire against targets ashore and at

sea and to reduce ammunition expenditures. Given the relatively limited number of naval guns, the shortage of shipboard magazine storage, the greater cost of other naval missiles and the near-perfect success of the operational and technical evaluations, the 5-inch SAL-GP is an extremely cost-effective program.

Consequently, the committee directs the Department of the Navy to initiate procurement of the 5-inch SAL-GP with the funds appropriated in fiscal year 1982.

The Department of the Navy has also expressed concern over the contractual arrangements currently in use in the procurement of the 5-inch SAL-GP. By directing the procurement of the SAL-GP, the committee does not intend to exclude any particular procurement method or procedure available to the service.

Recommended for Approval as Requested

TOW Missile

The TOW is a guided anti-tank assault weapon system intended to provide a heavy fire capability against armored vehicles and fortified point targets. TOW missiles are being procured by both the Army and Marine Corps.

Multiple Launch Rocket System (MLRS)

The Multiple Launch Rocket System consists of a tracked, self-propelled vehicle, fire control equipment and disposable pods of 230-mm rockets. The cost and performance of MLRS has been excellent. The Army is to be commended for its superb management of this program. The committee recommends approval of the administration's request for the MLRS.

STRATEGIC MISSILES

Committee Recommendations for Change

MX

The MX missile is being designed as a follow-on system for the Titan and Minuteman ICBM forces. A total of $4,256.4 million was requested by the administration in fiscal year 1983 for this program: $1,497.1 million for the procurement of nine missiles and initial spares; $1,734.3 million in missile research and development; $1,025 million for research and development on MX basing systems ($715 million for interim silo deployment and $310 million for long-term basing schemes).

The program for MX survivable-basing has had the strong support of the committee. In action on repeated requests from several administrations, the committee has made clear its belief that the augmentation of the nation's land-based Minuteman force with a modern MX missile based in a survivable deployment system was an urgent priority.

The administration, in its strategic force modernization program decided to terminate work on a basing concept intended to provide such survivability, the Multiple Protective Shelter system. Citing concerns about the degree of invulnerability this system would provide; the President announced his intention to pursue a dual-track approach, involving an interim deployment of these missiles in vulnerable, exist-

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ing silos and continued research on a permanent basing plan which would, ultimately, provide a survivable basing system for the MX missile. Three long-term options were to be examined: a continuous patrol aircraft, a deep underground basing system and deployment schemes making use of deception and ballistic missile defense.

According to the President's original plan, until a survivable option had been fully developed and deployed—1989 at the earliest—the 40 MX missiles were to go into Titan II or Minuteman silos which would be upgraded to permit "superhardening", achieving a nominal structural strength of 5,000 psi.

Congressional concerns about this interim deployment manifested themselves almost as soon as the proposal was unveiled. Doubts were expressed about the feasibility and desirability of such a temporary basing program from technical, military, arms control and cost points of view. Consequently, in its action on the fiscal year 1982 Defense Appropriations Act, the Congress prohibited the expenditure of funds for superhardening of existing ICBM shelters in a manner inconsistent with the long-term survivable basing of MX.

Following the enactment of this legislation, known as the Cohen-Nunn amendment, and in light of additional information which became available concerning the inutility of superhardening for measurably increasing the survivability of a small number of isolated silos, the Department of Defense decided to proceed with its interim MX deployment in unmodified Minuteman silos. While this proposal represents a substantially less costly approach to interim basing than was the case with reconstructed silos, the committee has concerns about it as well. For instance, the planned interim basing of MX does not redress the problem of the vulnerability of the land-based ICBM force.

Furthermore, the number of additional warheads that would survive an attack upon MX missiles so deployed does not appear to justify the costs—assessed at $2.6 billion over the next five years—associated with this basing scheme.

The committee is also concerned that the possibility exists that strategic deterrence and crisis-stability could be jeopardized, rather than enhanced, by the deployment of high-value, militarily important weapons in so small a number of relatively-easily destroyed shelters.

Finally, the committee recognizes that the transformation of the proposed interim basing plan into a permanent, survivable system incorporating deception and defense would be expensive and, from a practical standpoint, infeasible.

In light of these considerations, the committee recommends a redirection of the MX basing program. It continues to believe that the MX missile has an essential role to play in restoring the strategic balance vis-a-vis the Soviet Union and believes that no slippage in the development and test program for this missile should be countenanced. Toward this end, $1,712.3 million needed to support a first test flight in January, 1983 and associated development is recommended for approval. This amount represents the full request for MX missile research and development, except for a reduction of $22 million in the funds sought for RDT&E on the Advanced Ballis-

tic Reentry Vehicle. As is described below, this reduction is made without prejudice and is not intended to impinge upon the development of the missile in support of the earliest IOC of a survivable basing mode.

The committee believes that changes must be made to reorient the basing program for this missile so as to accelerate the efforts aimed at permanently deploying the MX in a survivable basing mode. To this end, the committee recommends the following actions:

(a) The $715 million requested for research and development on interim basing of the MX is denied. No further work is to be undertaken in support of fixed-point silo basing of MX.

(b) The $310 million in the request for RDT&E on long-term options for MX deployment and an additional $255 million is recommended for authorization for developmental activities necessary to bring about the earliest possible Initial Operational Capability of a permanent, rather than interim, survivable-basing for the MX. Exploratory technology efforts, designed to provide down-stream options for complementing the earliest-IOC design with additional deployment systems for MX, may be pursued as well with these funds. The Secretary of Defense should notify the Congress not later than December 1, 1982 as to which of the candidate technologies shall be pursued for the earliest IOC system.

(c) The funding for procurement of nine MX missiles in fiscal year 1983 is denied without prejudice. The committee is eager to see the MX produced at the earliest possible time. The committee's purpose in deferring the requested procurement, however, is to bring production in line with the revised Initial Operational Capability date which results from cancellation of the interim silo deployment. The committee expects to receive a request for production funds for the MX missile in fiscal year 1984.

The committee recognizes that the Congress shares a responsibility for expediting the deployment of a survivably-based MX. The committee will consider legislation proposed by the Administration toward this end.

In taking these steps, the committee is acting in line with its longstanding support for a survivably-based MX. The intention of the committee is to ensure that MX is so deployed at the earliest possible time, at the least cost to the taxpayer and with the smallest, albeit unavoidable, perturbation of the development and production program for the missile itself. In so doing, the committee expects to strengthen the strategic force modernization program espoused by the President and to improve the prospects for strategic stability vis-a-vis the Soviet Union, on the basis of mutual invulnerability to surprise attack.

Titan Missile Retirement

A total of $2.4 million in procurement and $19 million in O&M funds was requested in fiscal year 1983 for the Titan II missile force. These missiles are the oldest ICBM's in the U.S. inventory. First deployed in 1963, their high megatonnage warheads have long constituted an important element of the United States' strategic capability. The President as part of his strategic force modernization program called for the retirement of these weapons starting in fiscal year 1983.

As noted elsewhere, the committee has recommended that the MX missile not be deployed on an interim basis in existing silos and has directed that a plan for survivably basing the MX missile be presented to Congress by December 1, 1982. While the Titan II missiles do not possess hard-target kill capability, their unique large-yield characteristics do contribute to the U.S. nuclear deterrent and free up other, more accurate missiles for targets which require such accuracy. Consequently, the committee believes that retirement of the Titan II missile force should be deferred until a plan for survivably basing the MX has been received and approved by Congress. The committee is recommending an authorization of an additional $73.8 million in procurement to retain the 52 Titan missiles in the inventory in a safe and reliable condition through fiscal year 1983. Similarly, an additional $6.2 million is recommended for additional operations and maintenance required by retaining these weapons.

Recommended for Approval as Requested

Pershing II Missile

The Pershing II missile is the first intermediate-range ballistic missile developed by the United States in over two decades. The administration requested $111.3 million in research and development and $498.3 million for procurement of the Pershing II missile system in fiscal year 1983.

The committee recommends authorization of the requested funds in view of the enormous importance of meeting the schedule for Pershing II and ground-launched cruise missile deployments set by the NATO December, 1979 Long-Range Theater Nuclear Force Modernization program. As noted elsewhere in this report, should the United States be unable to achieve a bilateral agreement to eliminate such weapons, it is imperative that the full deployment of Pershing II systems proceed as planned in order to reestablish some measure of parity with the Soviets in intermediate-range theater nuclear forces.

Concerns have grown, however, in recent months over the ability of the Pershing II to meet its ambitious technical performance goals, schedule and cost milestones. In light of the high national priority attending this program, the committee believes that every effort should be made, including reallocation of funding and manpower resources if necessary, to bring the Pershing II on line at the planned I.O.C. date with the predicted accuracy and range specifications.

Trident I Missile

The administration requested $742.8 million for the procurement of 72 Trident I submarine-launched ballistic missiles and $90.6 million for continued research and development. The funds requested are recommended for authorization.

The committee notes that, as a result of reductions in the quantity of Trident I missiles being procured, the unit cost of each missile has increased dramatically. While this factor appears to be the principal cause for recent cost growth in this system, it is the committee's opinion that the procurement of a weapon system of the maturity of the Trident I should be based upon a fixed-price contract rather than the cost-plus incentive fee contract which has been employed in the past.

The committee expects the procurement of Trident I missiles authorized by this legislation will be made through a fixed price contract and, should the Secretary of Defense decide another form of contracting is preferable, none of these funds may be obligated unless and until the Committees on Armed Services of the Senate and the House of Representatives have been provided with an explanation for this action.

Sea-Launched Cruise Missile

In fiscal year 1983, $292.2 million is sought for procurement of 220 TOMAHAWK sea-launched cruise missiles (SLCM). A further $96.9 million is requested for research and development on this system. These funds are recommended for approval as requested.

A variant of the SLCM, the land-attack TOMAHAWK, currently under development by the Navy, has been assigned by the administration an important role as an element of the United States' strategic reserve forces. While the committee believes that such systems cannot be considered substitutes for prompt retaliatory weapons, their presence aboard numerous attack submarines should add significantly to the deterrent value of the United States' strategic posture. The committee encourages the Navy to cooperate with the Air Force in designing electronic countermeasures systems compatible with the family of cruise missiles to prolong their effectiveness.

Air-Launch Cruise Missile

The administration requested $715.3 million for the procurement of 440 air-launched cruise missiles (ALCM) and $186.8 million for research and development in fiscal year 1983. The committee recommends these funds be authorized.

The committee notes that significant improvements have been achieved in the air-launched cruise missile flight test program since the Senate acted on the fiscal year 1982 Defense authorization bill. Following a series of unsatisfactory research and development flights, the ALCM program has demonstrated markedly improved performance in recent tests including those conducted from an Offensive Avionics System-equipped B–52. Much work remains to be done on development of the ALCM and the committee expects to be kept fully apprised of any difficulties encountered in subsequent flight tests.

Concerns have been expressed about the ability of the ALCM–B missile to penetrate Soviet air defenses in the coming years. The committee feels that an aggressive program to maximize the probability of successful penetration of the ALCM–B and current generation sea-launched and ground-launched cruise missiles should be pursued. To the maximum degree possible, the Air Force and the Navy should cooperate in the development of systems designed to enhance the mission effectiveness of their respective systems.

MESP Program

The committee recommends approval of the administration's request for $35.5 million for the procurement of lithium batteries to upgrade the emergency power capabilities of 200 Minuteman III missiles.

The replacement of the original batteries with these modern, long-lived systems extends significantly the amount of time that emergency

survivable power is available to launch Minuteman missiles. The committee believes that this program represents a sufficient improvement in the trans- and post-attack utility of these weapons to justify the modest costs associated with deploying them in the entire Minuteman III force. The committee expects a request to accompany the fiscal year 1984 defense submission which will seek funding for such an expanded MESP program.

SPACE PROGRAMS

Recommended for Approval as Requested

NAVSTAR/GPS Program

NAVSTAR/GPS is a space-based precision navigation and positioning aid. The Administration request for fiscal year 1983 includes $102.0 million for procurement and $174.6 million associated with the development and testing of components of this program. The committee recommends these funds for authorization.

In the Fiscal Year 1982 Defense Authorization Conference Report, the Congress reduced the levels of funding authorized for procurement and certain R&D efforts associated with NAVSTAR/GPS. This action was prompted by concerns about the essentiality of GPS to a wide range of DOD missions, about expected program costs and about the wartime availability of GPS.

The committee believes that these concerns have been satisfactorily addressed. Strong support for NAVSTAR/GPS has been expressed by senior Department of Defense and military service representatives. Efforts to minimize the cost of the program are being pursued through a block-buy, multi-year procurement approach and through assessments of techniques to recoup as much of the DOD-borne costs as possible through non-DOD user fees. A report has been submitted to the Congress in compliance with the Fiscal Year 1982 Defense Authorization Act which indicates that as much as $4.25 billion could be recovered over a 30-year period from 1986 through 2016. Finally, analysis indicates that the size and spatial dispersion of the GPS satellite constellation will make the physical destruction of this system an extremely challenging and demanding task in a wartime environment.

Consequently, the committee reaffirms its strong support for the NAVSTAR program and directs that, consistent with the fiscal year 1982 appropriations conference action, sufficient funding be provided by reprograming to initiate procurement in fiscal year 1982.

Space Boosters

The administration has requested $71.7 million for procurement and $15.0 million for research and development associated with space boosters in support of military missions. The committee recommends these funds be authorized.

As discussed elsewhere in this report, the committee reviewed in some detail this year the important contributions being made to several military missions—particularly strategic missions—by systems based in, or making use of, outer space. While the committee strongly supports the Space Transportation System employing the Space Shuttle as a launch system for military payloads, concern exists that difficulties with Shuttle reliability and/or the Vandenberg Launch Facility which

the Shuttle requires for defense-related polar orbit launches, may result in a situation in which critical national security launches cannot be performed when needed.

The committee requests the Secretary of Defense, in consultation with the Administrator of the National Aeronautics and Space Administration and the Director of the Office of Science and Technology Policy, to provide a report assessing the existing and anticipated requirements for expandable launcher and fuel production capability in support of military—as well as civilian—launch requirements. The committee recognizes that the future availability of Titan II boosters may provide a reservoir of large payload-lift capability.

The committee anticipates, however, that as increasing demand develops for commercial as well as military uses of space, the maintenance of an American production base for expendable launchers and their propellants could become a significant and, perhaps, indispensable component of our national defense industrial base. To the degree that the Secretary of Defense deems it desirable to do so, the committee encourages the Department to make available for purchase by U.S. enterprises missile components (e.g. rocket booster motors) which are determined to be excess to the military and NASA's requirements and whose introduction into the public domain would not jeopardize classified material or national security, if the sale of such equipment will facilitate the maintenance or expansion of the aforementioned production base.

Inertial Upper Stage

The administration requested $155.8 million in procurement, $16.4 million in research and development and $176.8 million in operations and maintenance associated with the Inertial Upper Stage ("IUS") program. This system is needed to transport Shuttle-borne Defense Department payloads into their higher altitude, mission orbits. The committee recommends the authorization of the request.

Congress received in October 1981, a report prepared by NASA and the Department of Defense on "Upper Stage Alternatives for the Shuttle Era". The committee concurs in the conclusion of this report that "the IUS is the only available stage capable of meeting the near-term earth-orbiting requirements for DOD and NASA, and, with modifications, could satisfy NASA and DOD earth-orbiting missions through the 1980's". For these reasons, the committee believes that the development and production of the IUS is an important national security program.

The committee is concerned, however, about significant cost growth and delays in IUS deliveries that could jeopardize other important development and space launch missions. Consideration will be given to holding in the coming months a special oversight hearing to assess the funding and programmatic aspects of the IUS development and production effort.

SUMMARY OF MISSILE PROCUREMENT

Fiscal Year 1983 Army Missile Procurement Request

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Surface-to-air missiles:						
U.S. Roland		$61.3				$61.3
Patriot (SAM-D)	376	805.1			376	805.1
Stinger	2,256	214.6			2,256	214.6
Air-to-surface missiles:						
Laser Hellfire system	3,971	249.2			3,971	249.2
Antitank/assault missiles:						
TOW (BGM-71A), (BTM-71A)	12,000	145.2			12,000	145.2
Pershing	91	498.3			91	498.3
Multiple launch rocket system	23,640	368.9			23,640	368.9
Multiple launch rocket system advance procurement (CY)		53.2				53.2
Other missile support		4.5				4.5
Modification of missiles		93.0				93.0
Missile spares and repair parts		233.3				233.3
Support equipment and facilities		120.0				120.0
Total, Army missiles		2,846.6				2,846.6

Fiscal Year 1983 Navy Missile Procurement Request

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Ballistic missiles:						
UGM-73A Poseidon C-3		$9.7				$9.7
UGM-96A Trident I C-4	72	(816.1)			72	(816.1)
Less advance procurement (PY)		(−116.6)				(−116.6)
Net		699.5				699.5
UGM-96A Trident I C-4 advance procurement (CY)		43.3				43.3
UGM-73A Poseidon C-3 mods		7.5				7.5
Support equipment and facilities		16.5				16.5
Strategic missiles:						
BGM-109 Tomahawk	120	(285.0)			120	(285.0)
Less advance procurement (PY)		(−14.0)				(−14.0)
Net		271.0				271.0
BGM-109 Tomahawk advance procurement (CY)		21.2				21.2
Tactical missiles:						
AIM/RIM-7F/M Sparrow	670	132.8			670	132.8
AIM-9L/M Sidewinder	500	41.5			500	41.5
AIM-54A/C Phoenix	108	(249.1)			108	(249.1)
Less advance procurement (PY)		(−27.0)				(−27.0)
Net		222.1				222.1
AIM-54A/C Phoenix advance procurement (CY)		34.2				34.2
AGM-84A Harpoon	231	(214.8)			231	(214.8)
Less advance procurement (PY)		(−21.3)				(−21.3)
Net		236.1				236.1
AGM-88A HARM	208	176.8			208	176.8
RIM-66B standard MR	650	192.3			650	192.3
RIM-66B standard MR advance procurement (CY)		60.3				60.3
RIM-66C standard MR	150	122.8			150	122.8
RIM-67B standard ER	375	302.8			375	302.8
Laser Maverick	90	33.1			90	33.1
Other missile support		5.3				5.3
Aerial targets		76.6				76.6
Modification of missiles		74.2				74.2
Support equipment and facilities		349.3				349.3
Total, Navy missiles		3,128.9				3,128.9

Fiscal Year 1983 Marine Corps Missiles Procurement Request

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Guided missiles:						
Improved Hawk	213	75.4			213	75.4
Improved Hawk mod		20.7				20.7
Stinger missile system	1,560	115.6			1,560	115.6
Dragon missile system		.7				.7
TOW missile system	1,000	28.6			1,000	28.6
Improved TOW PIP		9.4				9.4
Other support		13.5				13.5
Total, Marine Corps missiles		263.9				263.9

FISCAL YEAR 1983 AIR FORCE MISSILE PROCUREMENT REQUEST

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Ballistic missiles:						
Advanced ICBM (MX)	9	$1,446.4	−9	−$1,446.4		$0
Other missiles:						
Air-launched cruise missile	440	(622.7)			440	(622.7)
Less advance procurement (PY)		(−1.2)				(−1.2)
Net		621.5				621.5
Air-launched cruise missile advance procurement (CY)		43.0				43.0
Ground-launched cruise missiles	120	(520.1)			120	(520.1)
Less advance procurement (PY)		(−29.8)				(−29.8)
Net		490.3				490.3
Ground-launched cruise missile advance procurement (CY)		29.6				29.6
Tactical missiles:						
AIM-7F/M Sparrow	1,300	198.6			1,300	198.6
AIM-9L/M Sidewinder	1,920	114.7			1,920	114.7
AGM-65D Maverick	2,560	342.6	−1,205	−97.7	1,355	244.9
AGM-88A HARM	206	159.8			206	159.8
Rapier		98.9				98.9
Target drones		40.2				40.2
Modification of inservice missiles		160.0		+73.8		233.8
Spares and repair parts		274.0		−50.7		223.3
Other support		2,808.3		−25.0		2,783.3
Classified programs		[deleted]		+88.9		+88.9
Total, Air Force missiles		6,827.9		−1,457.1		5,370.8

NAVY SHIPS, TORPEDOES, AND OTHER WEAPONS

Navy Shipbuilding and Conversion

The authorization request for fiscal year 1983 includes a total procurement request for 25 ships, of which 18 are new, six are conversions, and one is a reactivation. The new procurement ships consist of two TRIDENT class fleet ballistic missile submarines, two NIMITZ class aircraft carriers, two SSN–688 class attack submarines, three CG–47 class AEGIS guided missile cruisers, one LSD–41 class landing ship dock, two FFG–7 class guided missile frigates, four MCM–1 class mine countermeasures ships, one TAO–187 class fleet oiler, and one ARS–50 class salvage ship. The six conversions include one aircraft carrier Service Life Extension Program (SLEP) to be performed on the USS FORRESTAL (CV–59), the final four of eight conversions of the SL–7 class fast logistic ships, and the conversion of an existing hull to a TAHX class hospital ship. The single reactivation is for the reactivation and modernization of the USS IOWA (BB–61), the second of the planned program that encompasses the reactivation of all four of the IOWA class battleships. Advance procurement was also requested for the third IOWA class battleship, USS *Missouri* (BB–63), a new LHD–1 class amphibious assault ship, and a new AGOS–13 class SWATH ocean surveillance ship. Also included under landing craft was the request for an additional three air cushion type landing craft for the amphibious forces. The entire request is recommended for approval.

Navy Torpedoes and Related Support Equipment

Authorization in the amount of $604.9 million was requested for fiscal ~~year 1~~983, and is recommended for approval without change.

Navy Other Weapons

In fiscal year 1983, $167.8 million has been requested for the authorization of other Navy weapons. The committee recommended an authorization of $167.4 million, reflecting the deletion of $400 thousand requested to procure 9mm handguns.

Recommended for Approval as Requested

OHIO Class Fleet Ballistic Missile Submarine (Trident)

The fiscal year 1983 budget submission contains a request for $2.485 billion for the procurement of two Trident ballistic missile submarines and acquisition of long-lead items for follow-on ships. This request is recommended for authorization. The committee also has suggested approval of $106.0 million requested in the fiscal year 1982 supplemental for cost growth experienced in this program.

The OHIO-Class Trident Submarine has begun to enter the fleet as a replacement for the older Polaris and Poseidon SSBNs which have comprised the Nation's sea-based strategic deterrent force for much of the past two decades.

The committee is pleased to note that the initial results of the sea trials and shake-down cruise of USS OHIO (SSBN 726) have met or exceeded expectations. The problems that prompted the committee to defer without prejudice funding requested for the tenth Trident submarine in its action on the fiscal year 1982 Defense authorization act appear to have abated somewhat as a result of concerted management efforts on the part of the contractor and the Navy.

While the committee believes that the authorization of two Trident submarines in fiscal year 1983 is necessary and advisable in light of our strategic requirements, the committee believes that continued improvement in ship delivery schedules and cost and quality control management is essential to maintaining the necessary congressional support for the OHIO-Class construction program.

The committee also believes options for further enhancing the sea-based leg of the U.S. strategic deterrent should be developed so that they would be available should such augmentation be deemed desirable or necessary in the future. Toward this end, the committee requests the Secretary of Defense to undertake a comprehensive study of options available to expand the capabilities, survivability and, deterrent effectiveness of the U.S. sea-based nuclear force. This study should include considerations of accelerating existing programs, such as the Trident II as well as an analysis of other methods of obtaining additional capabilities at sea.

NIMITZ Class Aircraft Carriers

The administration requested $6,795.3 million for two NIMITZ class nuclear-powered aircraft carriers.

The NIMITZ class nuclear-powered aircraft carriers are designed to support and operate aircraft to engage in attacks on surface, sub-

surface and air targets at sea and ashore which threaten U.S. use of the sea and to engage in sustained operations in support of other forces.

The request for two NIMITZ class CVNs in 1983 derived from the administration's attempts to provide cost savings while simultaneously increasing the national defense. When compared with the traditional method of procuring one carrier at a time in 1984 and in 1986, the administration's program will deliver the ships a total of 44 months early and save $754 million. The committee requested the General Accounting Office to audit these figures, and their report indicated that these savings are achievable.

As a maritime power, this Nation must maintain a strong Navy capable of operations against a wide spectrum of threats in a wide spectrum of circumstances. The strength and flexibility of that Navy resides in survivable and flexible aircraft carriers, supported and augmented by submarines, other surface ships, aircraft and trained, dedicated professionals. The NIMITZ class carrier remains the most cost-effective and survivable means of deploying aircraft to sea, and the committee applauds the administration's proposal to increase its cost-effectiveness by further reducing the delivery times and the unit costs.

The committee recommends authorization of the full request.

LOS ANGELES (SSN–688) Class Attack Submarines

The administration requested $1,443.4 million for two LOS ANGELES class nuclear-powered attack submarines.

The LOS ANGELES class (SSN–688) nuclear-powered attack submarines are designed to destroy enemy surface ships and submarines while operating in direct support of U.S. forces or in a detached status. The SSN–688 weapons include MK–48 torpedoes and HARPOON and TOMAHAWK cruise missiles. After modification, this class will be capable of vertically launching cruise missiles from separate vertical launch system (VLS) cannisters.

The committee, in the fiscal year 1982 Department of Defense Authorization Act, supported the addition of advanced procurement to insure sufficient funds were available for the procurement of three submarines in both fiscal year 1983 and fiscal year 1984. The committee regrets that funding constraints would not permit the procurement of a third submarine in fiscal year 1983.

The committee recommends authorization of the administration's request.

IOWA Class Battleship Reactivation

The IOWA class battleship is a flexible, survivable, long-range, extremely capable surface platform armed with cruise missiles, 16-inch and 5-inch naval guns, and other modern weapons and electronic systems. The administration requested $323.4 million to complete the reactivation of the second ship, USS IOWA (BB–61), and $94.0 million of advance procurement for the reactivation of the third ship, USS MISSOURI (BB–63).

This committee enthusiastically supported the first reactivation of this class, the USS NEW JERSEY (BB–62). This support, however, was founded on the personal commitment by the Secretary of the Navy that the reactivation and modernization would be completed

on schedule, within cost, and would include at least the following weapons systems or modifications:

—Nine 16-inch Naval Guns
—Twelve 5-inch Naval Guns
—Eight Armored Box Launchers for TOMAHAWK (32 missiles)
—Four Quad Cannisters for HARPOON (16 missiles)
—AN/SLQ–32 Electronic Warfare System
—Modernized Communications
—Upgraded Habitability
—SPS–49 Air Search Radar
—Improved Helicopter Platform
—Conversion to Navy Distillate Fuel
—The CHT Sewage Collection Capability

The committee continues to strongly endorse these reactivations and recommends approval of the administration's request. That endorsement is again contingent on the committee's belief that this program deserves and demands the personal attention of the Secretary of the Navy to insure that the modernization of the USS IOWA (BB–61) will be completed (1) within the funding levels authorized, (2) in at least the same minimum configuration as NEW JERSEY, and (3) by the specified delivery date of January 1985 if the ship is reactivated in a private shipyard.

Aircraft Carrier Service Life Extension Program (SLEP)

The aircraft carrier SLEP program is designed to extend the service life of the FORRESTAL class aircraft carriers.

The administration's request supports the full funding for the SLEP of USS FORRESTAL (CV–59) in the Philadelphia Naval Shipyard and partial advanced procurement for the third SLEP in fiscal year 1985.

The committee recommends authorization of the administration's request for $699.5 million for the aircraft carrier SLEP.

CG–47 Class Guided Missile Cruiser

The CG–47 guided missile cruiser design is based on the proven hull and propulsion equipment of the DD–963 ASW destroyer, and employs many of the same weapons systems with the significant addition of the AEGIS phased array AAW radar system, the advanced SM–2 surface-to-air missile, and on ships procured after 1982, the vertical launch system.

The committee supported the continued procurement of the CG–47 AEGIS cruisers as a carrier battle force escort capable of operations against undersea, surface and air targets, and with the addition of TOMAHAWK, operations against land targets with either conventional or nuclear weapons.

The committee recommends authorization of the administration's request for $3,134.4 million for the procurement of three AEGIS guided missile cruisers.

LSD–41 Class Landing Ship Dock

The LSD–41 class of amphibious ships is a replacement program for eight LSD–28 class ships scheduled to retire in the 1984–1987

period. Ten LSD–41s are planned for procurement by 1987. Procurement of the lead ship of this class was initiated in fiscal year 1981, and the follow-on ship was funded in the fiscal year 1982 program. The request for the LSD–41 program in fiscal year 1983 is for $379.2 million for the third ship and $37.8 million in advance procurement for the fourth LSD–41 to be procured in fiscal year 1984.

The committee continues to believe that the present level of amphibious shipping—capable of lifting the assault echelons of 1.15 Marine Amphibious Forces (MAF's)—is inadequate, especially in light of the maritime requirements of the Rapid Deployment Joint Task Force. The committee supports the Department of Defense's new amphibious lift objective of having the capability to simultaneously lift the assault echelon of a MAF and a full Marine Amphibious Brigade.

The committee recommends approval of the administration's request for $417 million for the LSD–41 class landing ship dock program.

LHD–1 Class Amphibious Assault Ship

The LHD–1 class amphibious assault ship is an air-capable ship based upon the LHA–1 class amphibious assault ship design. The first LHD–1 is scheduled for procurement in fiscal year 1984; the second is scheduled for procurement in fiscal year 1987. These two ships will provide a much needed increase in amphibious shipping capabilities.

In fiscal year 1982, the Congress authorized $45 million in advance procurement for the LHD–1 (then entitled the LHDX) and $15 million in R&D. The fiscal year 1983 request is for $55 million in additional advance procurement funds.

In addition to their amphibious lift capabilities, the LHD–1 class ships will have the capability to support vertical/short take-off and landing (VSTOL) aircraft which will provide the fleet with additional offensive aviation forces afloat.

The committee recommends the authorization of the administration's request for $55 million for the continued advance procurement of long lead-time material for the LHD–1 class amphibious assault ship.

FFG–7 Class Guided Missile Frigate

The FFG–7 class guided missile frigates were designed to supplement planned and existing escorts in the protection of underway replenishment groups, amphibious forces, and military shipping against sub-surface, air, and surface threats.

The committee supports the continued procurement of FFG–7 frigates armed with the LAMPS III ASW helicopter system to replace the LAMPS I capable FFG–7's that are being transferred to the Naval Reserve force.

The committee recommends authorization of the administration's request for $666.4 million for the procurement of two FFG–7 class guided missile frigates.

MCM–1 Class Mine Countermeasures Ship

The MCM–1 class ships are designed to operate new mine hunting and neutralization equipment in support of general fleet operations.

This class of mine countermeasures ships will replace the MSO–427 class ocean minesweepers that have reached the end of their service lives.

The committee recommends authorization of the administration's request of $371.6 million for four MCM–1 class mine countermeasures ships.

TAO–187 Class Fleet Oiler

The TAO–187 class fleet oiler is a 180,000 barrel capacity, twin screw, diesel driven oiler being built to replace MSC-operated ships that are rapidly reaching the end of their service lives.

The committee fully endorses the fleet oiler program as an urgently needed upgrade to the essential fleet underway replenishment program. Only if the Nation's naval forces can be sustained at sea do they truly represent the flexible and mobile force that is required.

The committee recommends authorization of the administration's request for $320.0 million for the procurement of one TAO–187 class fleet oiler.

AGOS–13 Class SWATH Ocean Surveillance Ship

The AGOS–13 class ocean surveillance ship is designed to be the Navy's first operational Small Waterplane Area Twin Hull (SWATH) ship. It offers the advantages of exceptional stability, even in extremely high sea states. Thus, it will provide the stable platform required to successfully operate the Surveillance Towed Array Sensor (SURTASS) in the strategically important North Atlantic and North Pacific Oceans in all seasons of the year.

The committee strongly endorses the AGOS–13 class SWATH ocean surveillance ship as a viable SURTASS platform for use in meteorologically hostile ocean areas where the use of fixed surveillance systems is inappropriate.

The committee recommends the authorization of the administration's request for $24.3 million for the advance procurement of long lead-time components for the AGOS–13 class SWATH ocean surveillance ship.

ARS–50 Class Salvage Ship

The administration requested $84 million to procure the fourth of five planned ARS–50 class salvage ships. These diesel-driven vessels will operate as part of the Mobile Logistic Support Force to provide salvage, rescue towing, diving and rescue service to the fleet. They replace the BOLSTER class salvage ships built during the last years of World War II.

The committee recommends the authorization of $74 million in procurement and $10 million in advance procurement for the ARS–50 class salvage ship program.

T–AKRX Class Fast Logistics Ship (Conversion)

The administration requested $322.6 million for the conversion of the remaining four SL–7 class commercial containerships to a modified roll-on/roll-off configuration.

Funds appropriated in fiscal year 1982 for this program are being used to procure the last two of eight available SL–7 class commercial containerships and to convert four of these ships to the modified

roll-on/roll-off configuration. The fiscal year 1983 request supports the conversion of the remaining four ships.

The committee strongly supports the fast logistics ship program, and recommends authorization of the administration's fiscal year 1983 request for $322.6 million.

TAHX Class Hospital Ship

The committee views the TAHX program as an important element of the development of an effective RDJTF capability and deterrent, and recommends authorization of the administration's fiscal year 1983 request for $300.0 million to convert an existing hull to a hospital ship (TAHX). A second TAHX is included in the fiscal year 1984 program at a cost of $260.0 million.

The Department of Defense has identified a requirement of 2,000 beds and 24 operating rooms to provide full medical support on a worldwide basis to the Rapid Deployment Joint Task Force (RDJTF). The initial stages of RDJTF operations, when casualties can be expected to be heaviest, cannot be supported by shore-based hospitals because they require a large, relatively secure area and take too much time to set up. Only a hospital ship can provide the needed initial surgical capacity to support the RDJTF.

The Navy is now in the process of reviewing technical proposals received from the industry on 11 different ship hulls to provide the required medical support capabilities in at least one but not more than three ships.

Landing Craft, Air Cushion (LCAC)

The LCAC is a new air cushion-type of landing craft that will permit high-speed amphibious assaults from extended stand-off distances and greatly increase worldwide beach areas over which assaults may be conducted. The committee continues to view the LCAC program as critical to revitalization of U.S. amphibious warfare capabilities. Procurement of LCAC's was initiated in fiscal year 1982. The committee recommends the approval of the administration's request for $65.4 million for three LCAC's.

Craft, Outfitting, Post Delivery, and Other Program Costs

The committee recommends authorization of the administration's request for $1,047 million for other landing craft, service craft, outfitting, post delivery, ship contract design, cost growth, escalation in prior years, and manufacturing technology.

SUMMARY OF NAVY SHIPS, TORPEDOES AND OTHER WEAPONS

Fiscal Year 1983 Navy Shipbuilding and Conversion Procurement Request

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Fleet ballistic missile ships:						
Trident (nuclear) submarine	2	($2,768.2)			2	($2,768.2)
Less advance procurement (PY)		(−527.1)				(−527.1)
Net		2,241.1				2,241.1
Trident (nuclear) submarine advance procurement (CY)		243.9				243.9
Other warships:						
CVN (nuclear) aircraft carrier	2	(7,270.3)			2	(7,270.3)
Less advance procurement (PY)		(−475.0)				(−475.0)
Net		6,795.3				6,795.3
SSN-688 (nuclear) submarine	2	(1,196.8)			2	(1,196.8)
Less advance procurement (PY)		(−169.4)				(−169.4)
Net		1,027.4				1,027.4
SSN-688 (nuclear) submarine advance procurement (CY)		416.0				416.0
Battleship reactivation	1	(411.4)			1	(411.4)
Less advance procurement (PY)		(−88.0)				(−88.0)
Net		323.4				323.4
Battleship reactivation advance procurement (CY)		94.0				94.0
CV SLEP	1	(698.5)			1	(698.5)
Less advance procurement (PY)		(−162.0)				(−162.0)
Net		536.5				536.5
CV SLEP advance procurement (CY)		163.0				163.0
CG-47 Aegis cruiser	3	(3,132.9)			3	(3,132.9)
Less advance procurement (FY)		(−20.7)				(−20.7)
Net		3,112.2				3,112.2
CG-47 Aegis cruiser advance procurement (CY)		22.2				22.2
Amphibious ships:						
LSD-41 landing ship dock	1	379.2			1	379.2
LSD-41 landing ship dock advance procurement (CY)		37.8				37.8
LHD-1 advance procurement (CY)		55.0				55.0
Mine warfare and patrol ships:						
FFG guided missile frigate	2	666.4			2	666.4
MCM mine countermeasures ship	4	371.6			4	371.6
Auxiliaries and craft:						
TAO	1	210.2			1	210.2
TAO advance procurement (CY)		109.8				109.8
AGOS SWATH ship advance procurement (CY)		24.3				24.3
ARS	1	74.0			1	74.0
ARS advance procurement (CY)		10.0				10.0
Fast logistics ship (TAKRX) (conv.)	4	322.6			4	322.6
TAHX	1	300.0			1	300.0
Service craft		79.0				79.0
Landing craft		(84.5)				(84.5)
Less advance procurement (PY)		(−1.4)				(−1.4)
Net		83.1				83.1
Outfitting		136.4				136.4
Post delivery		168.3				168.3
Ship contract design		97.2				97.2
Cost growth		314.2				314.2
Escalation on prior year programs		209.2				209.2
Manufacturing technology		25.0				25.0
Total, Navy shipbuilding and conversion		18,648.3				18,648.3

FISCAL YEAR 1983 NAVY TORPEDO AND OTHER WEAPONS PROCUREMENT REQUEST

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Torpedos and related equipment:						
MK-48 torpedo	120	124.3			120	124.3
MK-46 torpedo	340	105.7			440	105.7
MK-46 torpedo advance procurement (CY)		35.5				35.5
MK-60 Captor mine	500	151.4			500	151.4
MK-30 mobile target	5	19.4			5	19.4
MK-38 mini mobile target (A)	1,200	2.3			1,200	2.3
ASROC		10.1				10.1
Modification of torpedoes		89.3				89.3
Support equipment		66.9				66.9
Guns and gun mounts:						
MK-15 close in weapon system	39	118.7			39	118.7
MK-75m gun mount	3	10.7			3	10.7
MK-19	14	.4			14	.4
20mm gun mount	6	.4			6	.4
9mm handgun	1,100	.4	−1,100	−.4		0
Modification of guns and gun mounts		19.7				19.7
Gun support equipment		.4				.4
Spares and repair parts		17.1				17.1
Total, Navy weapons		772.7				772.3

GROUND COMBAT VEHICLES AND OTHER WEAPONS

TRACKED COMBAT VEHICLES

Committee Recommendation for Change

Bradley Fighting Vehicle

The Bradley Fighting Vehicle (BFV) is a lightly armored, full-tracked fighting vehicle intended for close combat, screening, reconnaissance and security missions.

The committee recommends a reduction of $10 million from the administration's request of $793.3 million for the procurement of 600 BFV's. The BFV has performed well in development testing and will provide our ground forces with a significant improvement in combat capability. The cost to obtain this greater capability is substantial, but in the opinion of the committee, it is currently justified. However, failure on the part of the Army and the manufacturer to impose the most strict cost discipline may jeopardize the program.

The committee is not persuaded that recent increases in overhead costs are entirely justified. Greater efforts must be exerted to control such cost increases if the future of this program is to be secure. The committee therefore recommends a reduction of $10 million from the administration's request.

Recommended for Approval as Requested

M1 Abrams Main Battle Tank

The administration requested $1,457 million for the procurement of 776 M1 Abrams main battle tanks.

Problems identified during developmental testing have been the subject of considerable public interest. These problems, however, are not uncommon and it is the very purpose of developmental testing to identify and correct such discrepancies. Nevertheless, the committee considered the program of sufficient importance to justify holding a

dedicated public hearing to thoroughly examine remaining concerns over the tank's performance.

Of the major discrepancies identified during development testing only the transmission durability remains at issue. An independent blue ribbon panel, convened by the Army to address development problems, has predicted that the tank's transmission will exceed the durability requirement once modified. Production vehicles are being equipped with modified transmissions and selected units will be subjected to further testing over a period of about one year. It is the committee's opinion, based on the estimates of the blue ribbon panel and favorable reports of initial evaluations of the modified transmissions, that it is more prudent to continue production of the tank than to suspend the line until all modifications have been thoroughly tested and proved. The committee believes that any retrofit costs dictated by the test results of the modified transmissions will be less than the costs associated with the suspension of the production line.

The committee recommends approval of the administration's request for $1,457.0 million for the procurement of 776 M1 tanks and advance procurement of $432.3 million.

Light Armored Vehicle (LAV)

The administration requested $89.7 million for the procurement of 134 LAV's for the Marine Corps in fiscal year 1983. The committee recommends approval of the request as submitted.

To be selected from four in-production lightweight armored vehicle candidates, LAV's will be used to form rapidly deployable combat units with highly transportable armored vehicles. The Marine Corps has established an acquisition objective of 744 LAV's. Marine Corps procurement of LAV's is to be initiated in fiscal year 1982 with 60 vehicles costing $36.2 million.

While continuing to strongly support the LAV program, the committee is concerned about the potential for unit cost growth. Initially, the Marine Corps estimated that 72 LAV's could be procured with fiscal year 1982 funds. That estimate has been revised to 60 LAV's with the same funding level. While recognizing the difficulty of estimating unit costs in the absence of a source selection decision, the committee believes that the costs of this program must be carefully controlled.

To insure that unit costs do not grow, the Marine Corps should closely manage the program to limit modifications of "off-the-shelf" LAV candidates to those absolutely justified.

Mobile Protected Gun-Cannon Vehicle (MPG–N)

The administration has requested $111.3 million for the procurement of 175 MPG–N's for the Army in fiscal year 1983. This request initiates Army procurement of MPG–N's.

MPG–N is a Light Armored Vehicle (LAV) variant equipped with a 25mm Bushmaster cannon and a weapons fire control system. The MPG–N is being procured to equip the Army's light forces with an assault capable, anti-armor, highly mobile, combat fighting vehicle. The Army's acquisition objective is for 680 MPG–N's. The Army may also purchase as many as 1,635 other vehicles that are LAV variants.

The committee recommends authorization at the requested level of $111.3 million for procurement of 175 MPG–N's.

As with the Marine Corps' LAV program, the committee is concerned about the potential for unit cost growth of Army MPG–N's.

OTHER WEAPONS

Committee Recommendation for Change

9mm Handgun

The Army's decision to postpone the replacement of the 9mm handgun is endorsed by the committee. The request for $4.4 million to procure 9mm weapons is therefore denied. The committee wishes to make clear that this recommendation is made without prejudice. Should the Army, after reconsidering the requirement for a replacement handgun, submit a proposal that is fair and fully competitive, the committee will be receptive.

The committee has also recommended disapproval of the funds requested by the Air Force, Navy, and Marine Corps for the procurement of 9mm handguns.

SUMMARY OF GROUND COMBAT VEHICLES AND OTHER WEAPONS PROCUREMENT

Fiscal Year 1983 Army Weapons and Combat Vehicles Procurement Request

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Tracked combat vehicles:						
M-577A2 personnel carrier	114	$23.5			114	$23.5
M-113A2 personnel carrier	520	92.0			520	92.0
Bradley fighting vehicles	600	(853.1)		(−$10.0)	600	(843.1)
Less advance procurement (PY)		(−59.8)				(−59.8)
Net		793.3		−10.0		783.3
Bradley fighting vehicles advance procurement (CY)		49.2				49.2
IFV/CFV training devices		38.8				38.8
Field artillery ammo support vehicle	250	106.4			250	106.4
M88A1 recovery vehicle	180	157.8			180	157.8
M-1 Abrams tank	776	(1,671.8)			776	(1,671.8)
Less advance procurement (PY)		(−214.8)				(−214.8)
Net		1,457.0				1,457.0
M-1 Abrams tank advance procurement (CY)		432.3				432.3
M-60 tank training devices		12.6				12.6
M-1 tank training equipment		58.2				58.2
Mobile protected gun-cannon vehicle	175	111.3			175	111.3
Modification of tracked combat vehicles		378.5				378.5
Support equipment and facilities		489.9				489.9
Weapons and other combat vehicles:						
DIVAD gun	96	(575.2)			96	(575.2)
Less advance procurement (PY)		(−54.1)				(−54.1)
Net		521.1				521.1
DIVAD gun advance procurement (CY)		74.4				74.4
7.62mm armor machinegun	5,400	26.4			5,400	26.4
Squad automatic weapon, 5.56mm	3,579	10.5			3,579	10.5
Smoke grenade launcher	5,742	3.4			5,742	3.4
81mm mortar, XM252	352	10.6			352	10.6
9mm personal defense weapon	11,500	4.4	−11,500	−4.4		0
Vehicle rapid fire weapon system	532	33.4			532	33.4
Magnetic heading set	480	3.7			480	3.7
MHS/Gyro group	76	1.5			76	1.5
Modification of weapons and other combat vehicles		.9				.9
Support equipment and facilities		139.6				139.6
Total Army weapons and combat vehicles		5,030.7		−14.4		5,016.3

FISCAL YEAR 1983 MARINE CORPS WEAPONS AND COMBAT VEHICLES PROCUREMENT REQUEST

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Tracked combat vehicles:						
LVT-7A1	168	$151.5			168	$151.5
LVT-7 SLEP	363	157.2			363	157.2
Light armored vehicle	134	89.7			134	89.7
Spares and repair parts		15.0				15.0
Modification kits		4.1				4.1
Artillery:						
Spares and repair parts		5.0				5.0
Mod kits		.6				.6
Other support		1.9				1.9
Weapons:						
.50 cal M2 machinegun	273	3.0			273	3.0
9mm handgun	5,000	2.0	−5,000	−$2.0		0
7.62mm M60 machinegun	60	.2			60	.2
5.56mm Squad automatic machinegun	2,907	8.4			2,907	8.4
5.56mm M-16A1 rifle	54,725	28.5			54,725	28.5
40mm MK-19 machinegun	570	16.5			570	16.5
EOD equipment		.2				.2
81mm SMAW rocket	295	2.2			295	2.2
Total, Marine Corps weapons and combat vehicles		486.0		−2.0		484.0

MARINE CORPS AMMUNITION

Committee Recommendations for Change

Ammunition

The administration requested $630.2 million for Marine Corps ammunition in fiscal year 1983. This represents a $316 million, or one-hundred percent increase over the fiscal year 1982 request and a $548 million increase over the fiscal year 1981 level. The committee supports the efforts of the Marine Corps to address conventional ammunition shortfalls in a straightforward and expeditious manner. However, the Marine Corps ammunition request, which jumps from $314.5 million in fiscal year 1982 to $630.2 million in fiscal year 1983, projects a sharp decline to $345.1 million in fiscal year 1984. The committee is concerned that the fiscal year 1983 request represents too large an increase in one given year. The committee, therefore, recommends a reduction in the request by $100 million.

FISCAL YEAR 1983 MARINE CORPS PROCUREMENT AND AMMUNITION REQUEST

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Communications and electronics equipment		$476.8				$476.8
Support vehicles		190.9				190.9
Engineer and other equipment		252.9				252.9
Ammunition		626.1		−100.0		526.1
Other support		4.1				4.1
Total, Marine Corps procurement and ammunition		1,550.8		−100.0		1,450.8

ARMY AMMUNITION

Committee Recommendations for Change

Ammunition

The administration requested $2,639 million for Army ammunition and production base support. This amount provides for modest improvements in sustainability.

The committee received testimony indicating a large shortfall exists in training ammunition. The committee, therefore, recommends an additional $100 million to meet priority training and war reserve requirements for items such as 105-mm tank, 81-mm mortar, and 155-mm rocket assisted projectiles.

In addition, the Army is directed to identify training-only ammunition in a new and separate budget sub-activity beginning with the fiscal year 1984 request.

Copperhead

The administration requested $183.6 million for the procurement of 7,629 rounds of Copperhead. The committee recognizes that significant cost growth will reduce the buying power of this request to around 6,000 units. At the same time, however, fiscal year 1984 production remains constrained by the Department of Defense at 200 per month until the Army demonstrates improved reliability for Copperhead. The committee recommends full funding of $183.6 million in fiscal year 1983, but requires notification of the Committees on Armed Services prior to any obligation of fiscal year 1983 funds.

FISCAL YEAR 1983 ARMY AMMUNITION PROCUREMENT REQUEST

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Ammunition		$2,205.6	----------	+$100	----------	$2,305.6
Production base support		433.4				433.4
Less financing adjustments		−5.6				−5.6
Total, Army ammunition		2,633.4	----------	+100	----------	2,733.4

OTHER PROCUREMENT

Background on Other Procurement Authorization

Fiscal year 1983 marks the first year that specific authorization has been required for Other Procurement funding. The purpose of this requirement was to provide the authorizing committee a more balanced perspective of the Nation's total defense requirements. The committee's first look at the recent history of Other Procurement has confirmed the need for such perspective.

Other Procurement is a key element to the successful execution of the defense budget and overall force capability. The committee recognizes that there are many budgets and programs which contribute to force readiness, and that readiness is only one of several factors to consider in assessing overall force capability. Force structure, moder-

nization, readiness, and sustainability cannot be maintained at acceptable levels without adequate attention to Other Procurement funding.

The distribution of the fiscal year 1983 budget request is outlined below.

Other Procurement, Army

The administration requested $4,567,500,000 for Other Procurement, Army.

The committee recommends an authorization of $4,565,000,000. The recommendation is a reduction of $2,500,000 from the budget estimate.

This authorization will fund the acquisition of: (a) tactical and commercial vehicles including trucks, semitrailers, and trailers of all types to provide mobility and utility support to field forces and the worldwide logistical systems; (b) communications and electronics equipment of all types to provide fixed, semifixed, and mobile strategic and tactical communications equipment; (c) other support equipment such as chemical defensive equipment, tactical bridging, shop sets, construction equipment, floating and rail equipment, generators and power units, material handling equipment, medium support equipment, special equipment for user testing, and non-system training devices. In each of these activities funds are also included for modification of in-service equipment, investment spares and repair parts, and production base support.

The committee recommendation will provide funding for the following programs for fiscal year 1983:

[In millions of dollars]

Tactical and support vehicles	$1,256.5
Communication and electronics equipment	2,339.2
Other support equipment	971.8
Classified programs	—2.5
Total	4,565.0

Other Procurement, Navy

The administration requested $3,970,200,000 for Other Procurement, Navy.

The committee recommends an authorization of $3,969,200,000. The recommendation is a reduction of $1,000,000 from the budget estimate.

This authorization will fund the procurement of major equipment and weapons other than ships, aircraft, missiles, torpedoes, and guns. This equipment includes the latest electronic sensors for updating of naval forces, vehicles, training equipment, and spare parts.

The committee recommendation will provide funding for the following programs for fiscal year 1983:

[In millions of dollars]

Ship support equipment	$568.9
Communications and electronics equipment	1,488.0
Aviation support equipment	608.2
Ordnance support equipment	785.0
Civil engineering support equipment	172.8
Supply support equipment	91.2
Personnel/command support equipment	255.9
Classified programs	—0.8
Total	3,969.2

9mm Handgun Ammunition

The committee recommended denial of $253,000 from the Navy's request for small arms ammunition. This reduction is consistent with the deletion of funds requested to purchase the 9mm handgun.

Other Procurement, Air Force

The administration requested $5,845,200,000 for Other Procurement, Air Force.

The committee recommends an authorization of $5,753,100,000, a reduction of $92,100,000 from the administration's request.

This authorization provides for the procurement of weapon systems and equipment other than aircraft and missiles. Included are munitions, other weapons, vehicles, electronic and telecommunications systems for command and control of operational forces, and ground support equipment for weapons systems and supporting structure.

The committee recommendation will provide funding for the following programs for fiscal year 1983:

[In millions of dollars]

Munitions and associated equipment	$841.4
Vehicular equipment	350.4
Electronics and telecommunications equipment	1,427.3
Other base and maintenance support	3,213.3
Classified programs	−79.3
Total	5,753.1

BDU–33 Practice Bomb

The administration requested $29.4 million for procurement of the BDU–33 practice bomb. However, the Air Force has confirmed a recent GAO analysis which indicates that this request exceeds requirements by 289,024 bombs valued at $5 million. The committee, therefore, recommends a $5 million reduction in the administration's request.

9mm Handgun and Ammunition

The committee recommended denial of the administration's request for funds to procure the 9mm handgun. The committee, therefore, recommended denial of $560,000 from the Air Force's request for small arms ammunition.

FMU–112/139 Fuze

The administration requested $8.3 million for the purchase of 10,000 FMU–112/139 fuzes in fiscal year 1983. This request reflects the uncertainty of whether the FMU–139, currently in a joint development project managed by the Navy, will enter production in fiscal year 1983. The request is based upon potential and uncertain mix of both FMU–112 and FMU–139 fuzes at equally uncertain costs. Under normal circumstances, the committee would find it difficult to support the request as currently organized. However, unless the Air Force soon receives adequate support, an imbalance between explosives and fuzes could adversely affect the ordnance inventory. The committee, therefore, recommends approval of $5.0 million for procurement of FMU–112 fuzes.

CBU–90 Anti-Armor Cluster Munition (ACM)

The administration requested $54.4 million for the production of 2,000 ACMs. This bomb will likely provide significant improvements in Air Force close air support and interdiction capabilities. However, a reassessment of threat-related issues has resulted a stop-work order. The committee recommends approval of the full request, but the bill includes language which makes the approval contingent upon the written certification of the Secretary of the Air Force that this bomb is essential to the inventory.

PAVE PAWS Expansion

The PAVE PAWS phased array radar systems are designed to provide warning of submarine-launched ballistic missile attacks against the United States. The administration requested $69.4 million for procurement and $2.6 million for RDT&E associated with the deployment of two additional PAVE PAWS radar sites. The committee strongly endorses this request.

The committee recommended as part of its fiscal year 1982 strategic command, control and communications upgrade package the inclusion of funds for the accelerated deployment of a Southeastern- and Southwestern-based PAVE PAWS submarine launched ballistic missile detection system. Unfortunately, in the course of congressional action on this initiative, funds were not provided for the other procurement necessary to permit such acceleration.

The committee regards the completion of the Nation's SLBM warning system as an urgent national priority and encourages the Air Force to proceed with their planned deployment on the most expeditious schedule consistent with an orderly and well-managed program.

NATIONAL GUARD AND RESERVE EQUIPMENT INITIATIVES

Last year, the committee recommended a plan for the authorization of funds for improving the equipment status of the Army National Guard. The National Guard and Reserve component equipment status report, prepared for the first time this year, shows each component is short large amounts of the common, everyday equipment needed by units for training and preparedness. The shortfall in high priority items—identified by the Chiefs of the National Guard and Reserve components—totals some $2.6 billion as follows:

	Millions
Army National Guard	$400
Air National Guard	970
Army Reserve	270
Naval Reserve	260
Marine Corps Reserve	400
Air Force Reserve	340
Total	2,640

Because of the growing importance of the conventional forces of the selected Reserve components and because the National Guard and Reserves represent the best buy for the dollar to expand conventional force capabilities, the committee intends to pursue a plan to alleviate equipment shortages over the next several years. The planned effort will be refined through hearings to be held in fiscal year 1983. As an initial downpayment on this effort the committee recommends author-

ization of an additional $200 million in fiscal year 1983 to the Department of Defense procurement budget, to be earmarked and appropriated for each National Guard and Reserve component. The Chief of each National Guard and Reserve component, in consultation with the Service Chiefs, should allocate these additional funds to equip units in a way that will provide the most military capability for the money, based on the equipment lists submitted to the committee as their top priorities. The chiefs should report to the committee within 60 days of the date of enactment of this Act on the allocations each has made. This additional $200 million is to be appropriated in the following amounts for each Reserve component:

Army National Guard—$50 million for trucks, tractors, howitzers, radios, and other unit equipment.

Air National Guard—$30 million for TRI-TAC and other communications equipment, F–4 support equipment, and other unit equipment.

Army Reserve—$30 million for cranes, landing craft, trucks, tractors, tugs, and other unit equipment.

Naval Reserve—$30 million for security group equipment, P–3 tactical navigation equipment, cargo handling equipment, construction battalion equipment, and other unit equipment.

Marine Corps Reserve—$30 million for trucks, radios, AH–1 helicopters, machineguns, tractors, and other unit equipment.

Air Force Reserve—$30 million for ECM pods, trucks, ECM support equipment, and other unit equipment.

Total, $200 million.

The committee recommends that the Department of Defense take great care in the preparation of the annual report on National Guard and Reserve component equipment that is required by Public Law 97–86. This year's report was a good first step, but further refinements are required. In particular, the report needs to show more clearly authorized requirements, actual on-hand inventories, and items in the regular procurement budget intended for the Reserves. This may require adjustments to the internal budget process of the Department.

FISCAL YEAR 1983 ARMY NATIONAL GUARD PROCUREMENT REQUEST

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Army National Guard equipment		0		+$50.0		$50.0

FISCAL YEAR 1983 AIR NATIONAL GUARD PROCUREMENT REQUEST

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Air National Guard equipment		0		+$30.0		$30.0

Fiscal Year 1983 Army Reserve Procurement Request

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Army Reserve equipment	0			+$30.0		$30.0

Fiscal Year 1983 Navy Reserve Procurement Request

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Navy Reserve equipment	0			+$30.0		$30.0

Fiscal Year 1983 Marine Corps Reserve Procurement Request

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Marine Corps Reserve equipment	0			+$30.0		$30.0

Fiscal Year 1983 Air Force Reserve Procurement Request

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Air Force Reserve equipment	0			+$30.0		$30.0

PROCUREMENT, DEFENSE AGENCIES

The committee recommends an appropriation of $878.2 million for Defense agencies procurement.

This appropriation provides for procurement of capital equipment for the Defense Communications Agency, the Defense Investigative Service, the Defense Mapping Agency, the Defense Logistics Agency, and other agencies of the Department of Defense. The fiscal year 1983 program includes procurement of automatic data processing equipment, mechanical materials handling systems, general and special-purpose vehicular equipment, communications equipment, and mapping, charting, and geodetic equipment.

FISCAL YEAR 1983 DEFENSE AGENCIES PROCUREMENT REQUEST

[Dollar amounts in millions]

Program	Fiscal year 1983 request		Committee			
			Change from request		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Defense agencies procurement		$890.3				$890.3
Classified programs		[deleted]		−$12.1		−12.1
Total, Defense Agencies procurement		890.3		−12.1		878.2

RESTRICTION ON THE EXECUTION OF CERTAIN MULTI-YEAR CONTRACTS

The administration notified the committee of its proposal to execute multi-year contracts on the following weapons programs:

(1) F–111 Weapon Navigation Computer
(2) C–2 Aircraft
(3) EA–6B Aircraft
(4) A–6E Aircraft
(5) MULE Laser Designators
(6) CH–53E Helicopters
(7) MLRS Rocket Systems
(8) ALQ–136 Radio Jammers
(9) BLACKHAWK Helicopters
(10) NAVSTAR GPS Systems
(11) DMSP Satellites
(12) MK–46 Torpedoes
(13) T–AO Fleet Oilers
(14) NATO SEASPARROW Launcher
(15) SM–1 Missiles

The committee has received supporting data from the Department of Defense on only one of these fifteen multi-year contracting proposals—the UH–60 Blackhawk helicopter. Without this supporting data, the committee is unable to properly assess the merits of permitting the head of an agency to execute multi-year contracts on items (1) through (8). Therefore, the committee has adopted section 102 of this bill which prohibits the Department of Defense from executing multi-year contracts on specific programs until 30 days have elapsed from the time that the Committees on Armed Services of the Senate and the House of Representatives have received supporting data. This action is taken without prejudice to any of the above mentioned multi-year contracting proposals.

The supporting data should, at a minimum, include information which addresses the statutory criteria that must be satisfied prior to executing multi-year contracts. This criteria is set forth in section 909 of the Department of Defense Authorization Act, 1982 (Public Law 97–86). It is expected that such supporting data will accompany all future multi-year contracting proposals.

TITLE II—RESEARCH AND DEVELOPMENT

Background on Research and Development Authorization

Annual authorization of appropriations for all research, development, test and evaluation conducted by the Department of Defense has been required by law since 1963 (Public Law 88–174). Appropriate subcommittees of the full committee conducted hearings and reviewed information on various research and development program requests including, but not limited to, the following: Army general purpose programs; the MX program and Ballistic Missile Defense; tactical and strategic aircraft and associated systems; Army Anti-Tank Weapons and Electronic Warfare; the Trident and various other submarine programs; the Rapid Deployment Force; the C–X aircraft; new ships and related ship programs; lasers and particle beam technology; Strategic Command, Control and Communications (C^3); chemical warfare matters; and various land, air, and sea-launched missiles and missile systems. The committee's recommendations appear in subsequent pages of this report.

Summary of Recommended Funding Changes

The tables below show comparisons of the amount appropriated (revised current program) for research, development, test and evaluation for fiscal year 1982 with the amounts requested for authorization in the President's budget for fiscal year 1983 and those recommended by the committee.

SUMMARY OF ADJUSTMENT TO FISCAL YEAR 1983 R.D.T. & E. AUTHORIZATION REQUEST: BY SERVICE

[Dollar amounts in thousands; years are fiscal years]

	1982 revised current program [1]	1982 supplemental request [1]	1983 request	Change from request	Committee recommendation
Army	$3,609,535		$4,484,000	−$28,659	$4,455,341
Navy (including Marine Corps)	[2] 5,810,214		[3] 6,235,316	+67,582	[3] 6,302,898
Air Force	8,819,310	$57,000	11,220,400	−474,857	10,745,543
Defense Agencies	1,697,646		[4] 2,260,684	−18,500	[4] 2,242,184
Director, test and evaluation	53,000		60,000		60,000
Total	19,989,705	57,000	24,260,400	−454,434	23,805,966

[1] Does not reflect fiscal year 1982 supplemental authorization request for research, development, test, and evaluation in the amount of $57,000,000; refer to title IX for summary of committee action on supplemental request.
[2] Includes $3,083,000 in special foreign currency.
[3] Includes $3,016,000 in special foreign currency.
[4] Includes $784,000 in special foreign currency.

SUMMARY OF ADJUSTMENT TO FISCAL YEAR 1983 R.D.T. & E. AUTHORIZATION REQUEST: BY BUDGET ACTIVITY

[Dollar amounts in thousands; years are fiscal years]

	1982 revised current program [1]	1982 supplemental request	1983 request	Change from request	Committee recommendation
Technology base	[2] $2,910,191		[3] $3,340,736	+8,000	[3] $3,348,736
Advanced technology development	735,448		951,748	+9,492	961,240
Strategic programs	4,586,427	$57,000	6,647,050	−429,000	6,218,050
Tactical programs	6,899,753		7,575,746	−29,426	7,546,320
Intelligence and communications	2,202,026		2,772,475	−13,500	2,758,975
Defensewide mission support	2,655,860		2,972,645		2,972,645
Total	19,989,705	57,000	24,260,400	−454,434	23,805,966

[1] Does not reflect fiscal year 1982 supplemental authorization request for research, development, test, and evaluation the amount of $57,000,000; refer to title IX for summary of committee action on supplemental request.
[2] Includes $3,083,000 in special foreign currency.
[3] Includes $3,800,000 in special foreign currency.

ADJUSTMENTS TO FISCAL YEAR 1983 RESEARCH, DEVELOPMENT, TEST, AND EVALUATION AUTHORIZATION REQUEST RECOMMENDED BY SENATE ARMED SERVICES COMMITTEE

[dollar amounts in thousands]

Program	Fiscal year 1983 request	Committee: Change from request	Committee: Recommendation
Army:			
Technology base	$699,701		$699,701
Advanced technology development	314,528	+1,100	315,628
Methanol-fueled vehicles	0	+1,100	1,100
Other programs approved	314,528	0	314,528
Strategic programs	919,001		919,001
Tactical programs	1,678,959	−29,759	1,649,200
Battlefield data systems	29,759	−29,759	0
Other programs approved	1,649,200		1,649,200
Intelligence and communications	73,056		73,056
Defensewide mission support	798,755		798,755
Total, Army R.D.T. & E.	4,484,000	−28,659	4,455,341
Navy:			
Technology base	853,427	+8,000	861,427
Materials technology	33,019	+8,000	41,019
Other programs approved	820,408		820,408
Advanced technology development	165,122	+8,392	173,514
Man-machine technology	1,365	−434	931
Medical development (advanced)	8,858	−474	8,384
Technical information presentation system	1,453	−200	1,253
New ship design	4,911	−500	4,411
Ship concept formulation	18,810	−3,000	15,810
Ship systems engineering standards (SSES)	1,749	+13,000	14,749
Other programs approved	127,976		127,976
Strategic programs	668,939	+3,000	671,939
Tacamo/ECX	56,410	+3,000	59,410
Other programs approved	612,529		612,529
Tactical programs	3,678,085	+48,190	3,726,275
F/A-18 FLIR	3,500	+22,000	25,500
Marine Corps assault vehicles	15,810	−14,810	1,000
AV-8B aircraft	114,071	+22,000	136,071
Air ASW (Arapaho)	0	+4,000	4,000
AV-8B+	0	+15,000	15,000
Other programs approved	3,544,704		3,544,704
Intelligence and communications	247,806		247,806
Defensewide mission support	618,921		618,921
Total, Navy R.D.T. & E.	6,232,300	+67,582	6,299,882

ADJUSTMENTS TO FISCAL YEAR 1983 RESEARCH, DEVELOPMENT, TEST, AND EVALUATION AUTHORIZATION REQUEST RECOMMENDED BY SENATE ARMED SERVICES COMMITTEE—Continued

[Dollars amounts in thousands]

Program	Fiscal year 1983 request	Committee	
		Change from request	Recommendation
Air Force:			
Technology base	706,708		706,708
Advanced technology development	472,098		472,098
Strategic programs	4,973,010	−432,000	4,541,010
MX	2,340,332	−460,000	1,880,332
ABRV	419,000	−22,000	397,000
Military strategic tactical and relay system	79,784	+50,000	129,784
Other programs approved	2,133,894		2,133,894
Tactical programs	2,218,002	−47,857	2,170,145
Night precision attack (LANTIRN)	103,758	−15,000	88,758
Advance communications system (Seek Talk)	78,210	−8,000	70,210
F–15E	25,300	−12,300	13,000
F–16E	21,000	−10,000	11,000
Operational support airlift	2,557	−2,557	0
Other programs approved	1,987,177		1,987,177
Intelligence and Communications	1,418,213	+5,000	1,423,213
Classified programs	(Deleted)	+5,000	+5,000
Other programs approved	1,418,213		1,418,213
Defensewide mission support	1,432,369		1,432,369
Total, Air Force R.D.T. & E	11,220,400	−474,857	10,745,543
Defense agencies:			
Technology base	1,077,100		1,077,100
Strategic programs	86,100		86,100
Tactical programs	700		700
Intelligence and Communications	1,033,400	−18,500	1,014,900
Classified programs	(Deleted)	−18,500	−18,500
Other programs approved	1,033,400		1,033,400
Defensewide mission support	62,600		62,600
Total, Defense agencies R.D.T. & E	2,259,900	−18,500	2,241,400

ARMY RESEARCH AND DEVELOPMENT

Committee Recommendations for Change

Methanol-Fueled Vehicles

The administration request contains no funds for the testing of methanol-fueled vehicles. The committee recommends the addition of $1.1 million for this purpose.

Under this program the Army will evaluate the performance of such vehicles in various climates, will test the reliability and durability of such vehicles, and will resolve the related support questions on the safe and efficient storage, distribution, and use of methanol fuel. The Secretary of the Army shall report to the Committees on Armed Services of the Congress not later than March 1, 1983, on the progress of this program.

Battlefield Data Systems

The committee recognizes the Army's need to develop a targeting system that will detect enemy armor movements at stand-off ranges. The administration has requested $29.8 million for a program to develop this capability.

While the committee supports this effort, there has not been available sufficient information on the current plan to justify a recommendation for approval.

The committee therefore recommends that the funds for Battlefield Data Systems be deleted without prejudice until the Army is able to present to the committee a comprehensive plan to develop this capability.

Recommended for Approval as Requested

Ballistic Missile Defense

The administration has sought $870.6 million in research and development on Ballistic Missile Defense (BMD) as part of its fiscal year 1983 defense request. The committee recommends the authorization of this request.

BMD has been identified as an element of a defended, deceptive basing option that could provide for the long-term survivability of the MX missile. The proposed BMD funding profile would lead to a Low Altitude Defense System (LoADS) for MX with an initial operational capability of 1988. The technology development associated with the LoADS system can be pursued for the next two years without requiring an amendment to or abrogation of the Anti-Ballistic Missile (ABM) Treaty signed in 1972.

The committee is greatly troubled by information available to it which indicates that the Soviet Union has exploited the ABM Treaty to advance substantially their Anti-Ballistic Missile defense capabilities. During the same period, the United States' program has remained largely inactive. Only as the realization has grown in recent years that BMD could be indispensible to a survivable MX basing system, have increased resources been made available to pursue more aggressively this technology.

The committee believes that the United States cannot afford to be unprepared to deal with the possibility of a Soviet abrogation of the 1972 ABM accord and rapid deployment of a comprehensive BMD system. It also believes that the most readily-available survivable basing option, which the committee has directed be pursued for the MX, may ultimately involve a Ballistic Missile Defense of the selected basing system. For these reasons, the requested funds for Ballistic Missile Defense research are recommended for authorization.

The committee feels, however, that the United States must understand fully and be prepared to deal with the implications of its program and Soviet ballistic missile defense developments with regard to the ABM Treaty and the bilateral review sessions conducted every five years by the two parties. The committee is pleased to note that the Office of the Secretary of Defense is conducting an analysis of precisely these issues and it is expected that upon completion of this study, the committee will be briefed on its findings.

The committee also requests that the Office of the Secretary of Defense conduct a study to be submitted at the time of the MX basing mode decision, not later than December 1, 1982, concerning the feasibility and desirability of transferring Ballistic Missile Defense management responsibilities to the Air Force. This study should address specifically cost savings and possible acceleration of the program that

might be achievable through a consolidated and integrated management of this system, designed to protect the MX system.

Finally, the committee, having expressed its interest in the Forward Acquisition Sensor program in its report on the Fiscal Year 1982 Defense Authorization Act, believes that, in the Army's effort to develop and deploy a LoADS system, this promising technology has not received adequate resources or emphasis. The committee requests the Secretary of Defense, as part of his appraisal of the appropriate agency for managing Ballistic Missile Defense technologies, consider the optimal mix of these technologies in support of fielding, in the shortest possible time-frame, a layered defensive system capable of achieving maximal leverage for protection of ICBM deployments.

Pershing II Missile

The fiscal year 1983 defense budget contains $111.3 million for RDT&E on the Pershing II Intermediate Range Ballistic Missile program. These funds are recommended for approval. Additional comments on this program may be found in Title I, the procurement section of the report.

NAVY RESEARCH AND DEVELOPMENT

Committee Recommendations for Change

Materials Technology

The administration requested $33.019 million for the Navy's materials technology program. The committee has recommended the authorization of this amount and suggests additions in three areas:

The committee believes that exploratory development in the area of metal materials technology should continue to receive attention. Recently, several unique structural materials have been developed which may have important applications for the design of advanced weapon systems. These new composites, such as graphite magnesium, should provide improved performance, for example, in satellite systems. Much development effort remains to be done if the United States is to exploit fully the promise of this and other composite systems. To support such efforts, an addition of $4 million is recommended to expand the development work currently being conducted by the Navy in its materials technology program.

Recent studies have also indicated that carbon/carbon composites, designed for use as engine components, can significantly improve the performance of turbine engines. The improvement results from the ability of these substances to permit jet engines to run more efficiently and at higher operating temperatures. While the necessary resiliency to corrosion has yet to be achieved with these composites, it may be possible, with continued exploratory development, to produce a material with the necessary level of resistance to oxidation. The committee recommends that an additional $2 million be authorized to permit the Navy's Material Technology program to accelerate its activities aimed at improving the oxidation resistance of carbon/carbon composites for turbine engine applications.

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The Navy has, in addition, initiated a highly promising program to develop substitutes for critical materials. The committee believes this effort must be continued and expanded to conform with the national policy to reduce the United States' vulnerability in this area. It is recommended that the Navy's Materials Technology program increase its efforts to develop conservation processes and explore abundant materials and material design concepts as substitutes for imported critical materials. An additional $2 million is recommended for authorization to facilitate this effort.

Medical Development

The administration requested $8.858 million for Medical Development (Advanced). This program supports improved methods for prevention of injury and disease, improved techniques and equipment for medical care, and development of medical standards.

Two of the projects funded by this program are not justified: improved techniques for physical fitness enhancement and computer-managed weight reduction. Funds were also requested for development of a model to predict chemical warfare casualties. The committee recognizes the chemical warfare threat, but until more equipment has been procured to protect against this problem, there is no need for development of such a model.

The committee recommends a reduction of $474 thousand.

Man-Machine Technology

The administration requested $1.365 million for Man-Machine Technology. This program contains several new projects designed to improve personnel performance in the near-term.

Several of these projects are not well defined and extend over an excessive period of time; specifically, skill reduction through system design; human factors engineering for ship design; maintenance simplification; and, assessing shipboard workload.

The committee recommends a reduction of $434 thousand.

Technical Information System

The administration requested $1.453 million for the Navy Technical Information Presentation System. The purpose of this program is to develop improved methods of storing and retrieving information concerning equipment characteristics, repair procedures, and other technical information.

In the committee's view, this program does not have a clearly defined goal, and it continues over an excessive period of time.

The committee, therefore, recommends a reduction of $200 thousand.

Ship Concept Formulation

The administration requested $18.81 million for Ship Concept Formulation, formerly titled, Advanced Ship Design.

This funding will be used for completing the preliminary design of DDG–51, continuing LPDX preliminary design, improving computer supported design techniques, design of new concepts, improving analytic techniques, and the formulating of new surface ship concepts.

The committee recommends a reduction of $3.0 million to eliminate that portion of the funds that were requested for an unjustified project to begin design work on "notional" ships mentioned in the Navy's Extended Planning Annex.

AV–8B Harrier V/STOL Attack Aircraft

The administration requested $114 million for research and development of the AV–8B aircraft.

The Marine Corps has identified a requirement for a two-seat TAV–8B's for use in transition and training in order to improve the safety of AV–8B operations. Although no funds were requested by the administration for this effort the Marines have proposed to fund the additional research, development and procurement expenses associated with the TAV–8B by reducing the total quantity of aircraft to be procured, thereby remaining within the cost estimate for the total program. This will require that certain funds be expended in current years rather than in the out-years as previously planned. The committee endorses this proposal. An additional $22 million in AV–8B research and development is recommended by the committee for authorization to initiate the development of TAV–8Bs for delivery in fiscal year 1986.

The committee also recommends the addition of $15 million to allow the Navy to continue to explore the potential applications of air-to-air radar in the AV–8B.

A total authorization of $151 million for AV–8B research and development is recommended.

Marine Corps Assault Vehicle/High Power-to-Weight Ratio Engines

The administration requested $15.810 million for a Marine Corps program to continue development of a stratified charge rotary combustion engine for the LVT–X. Last year, this committee expressed concern about the complex technology of this engine and the possible negative implications of that technology for future reliability, maintainability, logistics, and readiness. These concerns were heightened by the results of a Marine Corps study of this program requested by the committee. The study concludes that the development risk is still "high to moderate," and also demonstrates that suitable diesel engines with lower risk exist for the LVT–X.

Therefore, the committee recommends that development of the stratified charge rotary engine be terminated and that $14.810 million of the authorization request be denied. The $1.0 million recommended for authorization is to be used to restructure the program around a suitable low risk high power-to-weight ratio engine alternative.

Ships Systems Engineering Standards (SSES)

The administration requested $1.7 million for the Ships Systems Engineering Standards (SSES). This program develops standards for major ship components and platform compartments for the purpose of decreasing the expense involved in planning and installing new systems during overhaul and for mid-life upgrade. Today's standards for weapons modules are being incorporated into the DDG–

51 design. The Navy plans to initiate design standards for ships other than destroyers.

The committee recommends the authorization of an additional $13 million dollars for the SSES program.

SEAFIRE

The administration requested no funds for the SEAFIRE electro-optical fire control system this year following an action by the Secretary of the Navy to cancel its companion weapon system, the 5-inch semi-active laser-guided projectile (SAL–GP) without the approval of the Congress.

SEAFIRE provides an electro-optical sensor, including a day television, a thermal imaging sensor, and laser range finder illuminators, for gunfire control systems to track surface, shore, and air targets and provide precision target tracking data for engagements.

The committee received testimony from both the Navy and the Marine Corps establishing a firm requirement for the SAL–GP and SEAFIRE for precision gunnery in naval gunfire support and short-range anti-surface warfare. The guided projectile recently completed a near perfect operational and technical evaluation, but notwithstanding these results, this promising program was canceled. Simultaneously, SEAFIRE was also terminated.

The committee denies the reprograming or reduction of funds for both the guided projectile and SEAFIRE that were authorized and appropriated in the FY 1982 Department of Defense Authorization Act. The committee also directs that the Navy proceed as rapidly as possible with the procurement of the 5-inch guided projectile and the development of SEAFIRE using 1982 funds.

ARAPAHO

The administration requested no funds for the ARAPAHO project for fiscal year 1983. ARAPAHO is intended to permit ASW helicopters to operate from merchant ships in time of emergency. Feasibility testing at sea is currently in progress.

The committee is not prejudging the merits of this program before the completion of Phase I testing later in 1982. Fiscal year 1983 funds are required, however, in the event that the tests are successful and further development is considered worthwhile.

The committee, therefore, recommends the addition of $4 million for ARAPAHO.

F/A–18 FLIR

The administration has requested $3.5 million to continue the development of the F/A–18 FLIR system.

The committee recommends the addition of $22 million to develop modifications in the F/A–18 FLIR system to permit it to participate in a competitive demonstration with the Air Force's LANTIRN targeting pod (See Air Force R&D, LANTIRN, page 99, in Title I, the procurement section of this report.)

MK–92 FCS Upgrade

The administration requested $9.628 million for the upgrade of the MK–92 Fire Control System (FCS) aboard the FFG–7 class guided missile frigates.

The committee is pleased with the Navy's effort to correct deficiencies in the original design of the MK–92 FCS and provide some important improvements by planning to incorporate the Coherent Receiver-Transmitter (CORT). However, the committee is concerned that the Navy has not complied with the intent of the Congress which directed the examination of phased array radar alternatives.

Consequently, the committee directs that no portion of the $85.937 million requested for the Submarine Advanced Combat System (SUBACS) R&D program shall be obligated or expended until the Navy presents to the committee their program to proceed with the development of the phased array radar portion (Phase III) of the MK–92 Fire Control System upgrade.

Standard Missile–3

The administration requested $18.810 million to develop the next generation of the Standard Missile, a surface-to-air weapon for surface vessels.

The committee is concerned that the Navy intends to spend $16.483 million to study how to develop a weapon that may be an evolutionary development of the SM–2 Block–II, or may be a new missile. It is essential that the fleet's surface-to-air missiles be developed and delivered with a timeliness consistent with the threat.

The committee recommends the approval of $16.483 million for the Standard Missile–3, but it directs that only $2.0 million be spent to study the alternatives. None of the remaining $14.483 million shall be obligated or expended until the committee receives written notification and justification of the Navy's decision, as well as a complete plan of action, milestones and a funding profile for the standard missile–3's development and that of the rejected alternatives.

Submarine Advanced Combat System (SUBACS)

The administration requested $85.937 million for the continued development of the Submarine Advanced Combat System (SUBACS). The committee recommends approval of the $85.937 million as requested but directs that none of these funds shall be obligated or expended until the Navy presents to the committee their program to proceed with the phased array radar portion (Phase III) of the MK–92 Fire Control System upgrade.

Recommended for Approval as Requested

Vertical Launch ASROC

The administration canceled the Vertically Launched Anti-Submarine Rocket (VL ASROC) after deliberation on the fiscal year 1982 Authorization was complete and combined it with the ASW stand-off weapon (ASW SOW) to form the Common ASW SOW (CASW SOW).

Unfortunately, it is not clear to the committee that the Navy has fully investigated all the effects of this decision to combine two very different missiles with very different missions and costs into a common missile. Because of this change and previous delays in replacing ASROC, surface ships will deploy in this decade without ASROC

or an ASROC-like weapon to allow for medium range, quick-reaction kills of submarines. The committee is not convinced that procurement of a very expensive weapon to fill both surface ship and submarine requirements task is a cost-effective approach. The separate procurement of two different weapon systems, each of which is optimized for a given mission, may be a preferable course for the Navy to pursue.

The committee recommends the denial of the requested reprogramming of $15.13 million authorized and appropriated in fiscal year 1982 for the VL ASROC program. Furthermore, the committee directs the Navy to restart the VL ASROC development program as soon as possible using the fiscal year 1982 funds.

DDG–51 class Guided Missile Destroyer

The administration requested $138.595 million to continue development of the DDG–51 class guided missile destroyer.

The committee fully endorses this multi-mission battle force-capable platform designed to replace the aging destroyers and cruisers that will retire from the fleet in the next decade. The committee also applauds the Navy's general approach to the final design of the ship which includes intensive industry participation, competition and innovation, and recommends approval of the administration's request.

However, some recent decisions by the Navy have jeopardized some of the combat potential of this platform.

The cancellation of SAL–GP and SEAFIRE after an extremely successful development program removes from the DDG–51 and the rest of the fleet a highly accurate short-range antiship and amphibious support guided missile. The removal of the VL ASROC not only jeopardizes the capability of the DDG–51 and other surface combatants to react quickly to short- and medium-range submarine contacts, but it may also jeopardize the viability of the critically important ASW standoff weapon submarine program. Finally, by not attaching sufficient priority to the SQS–53C sonar and the RACER engine developments, the Navy will allow the lead ship of an important new class of destroyers to be significantly different than the rest of the ships in this class, at least through her first overhaul. The committee remains concerned about this vital destroyer program and has made recommendations, separately, on each of these essential subsystems.

155mm Vertical Load System Gun

No funds were requested by the administration for development of the 155mm Vertical Load System (VLS) gun in fiscal year 1983.

There is a serious lack of naval gunfire support for amphibious assaults even after the reactivation of IOWA class battleships. During the 1970's, the Navy developed an 8-inch Major Caliber Lightweight Gun (MCLWG) to help correct this deficiency, but the program was terminated in the late 1970's.

The 155mm VLS gun offers significant potential for enhancing naval gunfire support. The committee strongly recommends that a research and development program for the 155mm VLS gun for employment on naval ships be initiated no later than fiscal year 1984.

SQS–53C Sonar

The administration requested $35.98 million for the SQS–53C sonar development program. The program funds improvements to

the SQS–53B that increase active sonar performance and reduce space, weight, maintenance time and supply logistics requirements. The system will be retrofitted into many of the Navy's ASW ships, including DD–963, DD–993, and CG–47, as well as installed on the DDG–51.

Last year, because of congressional action, the program was unavoidably reduced. The Navy testified before the Sea Power and Force Projection Subcommittee that they had restructured the program to streamline the development, but they can not assure installation aboard the lead DDG–51 class guided missile destroyer.

The committee strongly endorses the development of the SQS–53C sonar and urges increased Navy management attention to insure the earliest possible installation of this system in the DDG–51 class guided missile destroyers.

Ship Propulsion System (Advanced) RACER

The administration requested $20.457 million for Ship Propulsion System (Advanced). A portion of this is being used to develop a Rankine Cycle Energy Recovery (RACER) system for installation aboard DDG–51 class ships. RACER would convert gas turbine exhaust heat to useful power, resulting in a potential energy saving of 25 percent.

Given the present pace of RACER development, this system may not be ready to be installed on the lead ship of the DDG–51 class. Testimony before the Sea Power and Force Projection Subcommittee established that the program is capable of being accelerated to help assure introduction of RACER into the lead ship of the DDG–51 class.

The committee recommends that the requested funds for this program be authorized and the Navy apply an increased level of management attention to this program to ensure that every effort is taken to have it ready for installation in the lead DDG–51 class ship.

Trident II

The FY 1983 request seeks $366.7 million for research and development on the Trident II (D–5) submarine-launched ballistic missile system being designed as a follow-on to the Trident missile. The committee recommends the authorization of the requested funds.

The administration, as part of its strategic force modernization program, intends to develop the Trident II missile system to improve significantly the capabilities of the United States sea-going nuclear deterrent force. This missile has been designed to maximize the performance capabilities possible with OHIO class submarine missile tubes.

The committee has, for a number of years, advanced the approach now being pursued by the administration. The deployment of a hard-target kill-capable missile on America's fleet ballistic missile submarines has long been regarded as a highly desirable complement to a survivably-based ICBM force and a modern manned bomber force.

The committee notes that the Navy is currently reviewing the feasibility of accelerating the Initial Operational Capability of the Trident II missile system. The Department of Defense is encouraged to structure the program so as to realize such acceleration only if doing so will not result in significant cost or performance penalties to this highly important weapon.

Trident I Missile

The fiscal year 1983 defense budget proposes an expenditure of $36.2 million on RDT&E associated with the Trident I missile program. These funds are recommended for approval as requested. Additional remarks on the Trident program may be found in the Title I, Procurement section of this report.

Extremely Low Frequency System

In fiscal year 1983, the administration requested $49.8 million for research and development on the Navy's Extremely Low Frequency Submarine Communications System. The committee recommends the authorization of these funds.

The FY 1983 submission is made subsequent to the President's decision delivered to Congress, October 8, 1981, to deploy a small scale ELF communications facility at two sites in Wisconsin and Michigan. The committee strongly supports this program and believes that the President's decision was both a correct one and long overdue.

The committee feels that the early deployment of this system continues to be of considerable importance to the United States strategic communications connectivity with the ballistic missile submarine force and in support of the tactical operations of attack submarines. While some concern has been expressed that the ELF signal may interfere with air traffic control system performance in the region, the committee's hearing record indicates that such concerns are groundless.

Sea-Launched Cruise Missile

The administration requested $96.9 million for research and development of the sea-launched cruise missile, including its nuclear land-attack version. Those funds are recommended for approval. A further discussion of the SLCM program may be found in the Title I, Procurement section of this report.

AIR FORCE RESEARCH AND DEVELOPMENT

Committee Recommendations for Change

MX

The administration has requested $2,759.3 million in funds for research and development on the MX missile, its warhead and reentry vehicle system, and associated interim- and long-term basing concepts. The committee has recommended authorization of $1,712.3 million representing the full request to support RDT&E on the MX missile, less $22 million in funds designated for the Advanced Ballistic Reentry Vehicle system. The committee has reduced the $1,025.0 million in the request for basing of the MX missile. A new level of $565 million is recommended.

A more lengthy discussion of these issues can be found in the Title I, Procurement section of this report.

Advanced Ballistic Reentry Vehicle

The request for funds to develop a reentry vehicle for the MX are found in the MX R&D line. A total of $362 million in FY1983 was sought by the administration for development of the Advanced Bal-

listic Reentry Vehicle (ABRV) system. An additional $57 million was requested as part of the FY1982 supplemental.

The Advanced Ballistic Reentry Vehicle has been selected as the reentry vehicle for the MX missile. Greater accuracy, a capability for increased yield or reduced special nuclear materials requirements, and improved safety features prompted the administration to choose this weapon system over the baseline MK–12A currently being deployed on a portion of the Minuteman III ICBM force.

The committee believes that the decision to proceed with the Advanced Ballistic Reentry Vehicle was an appropriate one when viewed from the national perspective, taking account of U.S. requirements for special nuclear materials and the desirability of maintaining a hedge against unanticipated degradation in MX accuracy performance. In light of the recommendation made by the committee that the interim program for the MX missile be cancelled, and the Initial Operational Capability for the MX be delayed until the earliest time it may be deployed in a survivable mode, the committee believes that the requirement for an accelerated development effort on the ABRV has been reduced.

Consequently, the committee recommends denial of the $57 million requested in the FY82 supplemental. The committee has also recommended a reduction of $22 million in the requested funds sought for ABRV development in FY83 to make that research and development program consistent with the earliest possible IOC of a survivably based MX.

One benefit from easing the tight RDT&E schedule planned for this reentry system is that competition can be introduced into the development of the ABRV. DOD has demonstrated under the MK–12A retrofit program that the industrial base is enhanced and program costs reduced through utilization of dual-qualified sources for critical system components. It is the view of the committee that the development of dual-qualified sources for ABRV components such as the nosetip will likewise enhance the U.S. industrial base for these components and reduce ABRV program costs. Accordingly, the committee directs that a competitive approach to development of the ABRV be undertaken and strongly recommends that the Air Force utilize dual sources, wherever possible, for critical ABRV components throughout the Full Scale Engineering and Development program and subsequent procurement.

MILSTAR Program

The FY83 defense request includes $79.8 million for research and development of the Military Strategic, Tactical and Relay system (MILSTAR). The committee recommends the addition of $50 million to the request for MILSTAR.

The MILSTAR is a highly important initiative aimed at fulfilling U.S. satellite communications requirements in the late 1980's and beyond. The committee, at its own initiative, recommended the authorization of $37 million to commence the MILSTAR program in its action on the Fiscal Year 1982 Defense Authorization bill. This year, the administration requested $79.8 million for research and development associated with this program intended to lead to full-scale engineering development of a survivable, jam-resistant communications

satellite and associated airborne terminals. This satellite program will make use of an Extremely High Frequency communication system and should result in substantially improved connectivity to the range of prospective users.

In view of the important role anticipated for the MILSTAR satellite system, the Department of Defense has accelerated the Initial Operational Capability of this system to 1987. A request has been made that the MILSTAR program be afforded a Presidentially-conferred procurement priority—normally reserved for important weapon systems alone.

Testimony has indicated that, in the final budget process, the full amount of funding needed in FY83 to permit attainment of the earlier IOC was inadvertently not provided. A shortfall of approximately $50 million exists, in the absence of which the acceleration of the program will be impossible. The committee recommends that an additional $50 million be authorized for the purpose of eliminating this shortfall and ensuring that the earliest feasible Initial Operational Capability for this system—including the deployment of the EHF appliqué package on FLTSAT No. 7 and No. 8—is achieved.

The committee believes the attainment of this acceleration is a highly desirable objective and stresses its continued interest in exploiting the full capabilities of the transition appliqué package, for which $23 million was authorized in FY82. The committee expects that identified funding shortfalls in the FY84 MILSTAR program will be addressed by the Department of Defense in the course of developing next year's budget request.

SEEK TALK

The administration has requested $78.2 million in fiscal year 1983 for the development of SEEK TALK, a system designed to provide jam-free voice communications. The Air Force intends to develop SEEK TALK to meet the requirements for secure voice communications in the sophisticated jamming environment projected for the mid- to late-1980s. The current estimated cost for this program is $3.6 billion.

The committee is concerned over the magnitude of this investment when the system is intended for use by only one service.

The problem of operating against sophisticated jammers is one that each of the services must anticipate. It seems reasonable, therefore, that the solution should involve some measure of commonality. Unfortunately, only the Air Force is currently planning to procure SEEK TALK.

Both the Navy and Air Force will employ the HAVE QUICK system for near term, anti-jam voice communications. In the long term the Army, Navy and Air Force plan to procure the Joint Tactical Information Distribution System (JTIDS) for anti-jam data communication. JTIDS may also have an anti-jam voice communication capability.

The committee believes that the Defense Department should evaluate modifications to HAVE QUICK and the potential anti-jam voice communications of JTIDS before fully committing to a $3.6

billion Air Force-exclusive SEEK TALK program. The committee therefore directs the Secretary of Defense to perform an analysis of the projected jamming threat for the mid to late 1980s, to determine the future requirements of each of the services for anti-jam voice communications, and to propose a system architecture that will provide our forces with the necessary capability. This effort should seek to establish commonality, where practical, in meeting the varied requirements of each of the services. This analysis shall be submitted to the Committees on the Armed Services of the Senate and the House of Representatives by December 1, 1982.

The committee recommends an authorization of $70.2 for SEEK TALK research and development, a reduction of $8 million from the administration's request.

Alternate Fighter Engine

The administration has requested $94.1 million for fiscal year 1983 for the Alternate Fighter Engine program. The committee recommends the aprpoval of this request. Of this amount, $40 million is to be expended for development of the F–100 engine with the Digital Electronic Engine Control (DEEC) and the remainder is to be devoted to the F–101 Derivative Fighter Engine (DFE):

Both engines are to be evaluated in the F–16E during the summer and fall of 1982.

The committee recognizes that the F–101 has a thrust advantage over the F–100. However, the Air Force has provided repeated assurances that they do not have a requirement for additional thrust and, further, that the competition between the two engines will not be influenced by thrust comparisons. Instead, this competition (to determine which engine will power the F–16E or possibly the F–15E) will be based solely on durability, reliability, operability and maintainability.

The committee once again reaffirms its determination to insure complete fairness in the competition to select a follow-on fighter engine.

LANTIRN

The administration has requested $103.7 million for research and development of the LANTIRN system.

The Air Force's ability to conduct strike and interdiction missions at night and below the weather is currently somewhat limited. The LANTIRN system was conceived to combine low-level, night navigation with an automatic target recognition capability. These features would substantially increase the time during which such missions could be flown.

The committee has supported this effort in the past while expressing reservations over the rising cost of the system and the absence of an adequate level of competition in the program. It appears that these conditions persist in the current program.

One year ago, in the fiscal year 1982 budget request, the Air Force estimated the total cost of the LANTIRN research and development effort to be $296 million. In the current budget, that estimate has increased to more than $500 million. During that same period, the procurement estimate for 300 LANTIRN systems increased from $576

million to $1.3 billion. The committee believes these cost increases indicate the management of this program has been unsatisfactory.

The committee's support for LANTIRN is waning. While recognizing the valid need to develop this capability, the committee does not intend to fund the program irrespective of cost.

The committee believes that a considerable savings may be realized if a sufficient level of competition is maintained in the program. To accomplish this, $22 million has been added to the administration's request for the Navy's F/A–18 FLIR to develop modifications for that system that will enable it to participate in a competitive demonstration with the current LANTIRN system. The Air Force is directed not to make a production decision on LANTIRN until after the completion of this competitive demonstration.

The committee recommends the authorization of $88.7 million for the LANTIRN development program, $15 million less than the administration's request.

F–15E/F–16E

The administration has requested $25.3 million in fiscal year 1983 for F–15E research and development and $21.0 million for the F–16E.

The Air Force has proposed the selection of a derivative fighter aircraft with enhanced range and payload to perform the second echelon strike and interdiction missions currently performed by a diminishing number of F–4 and F–111 aircraft. The committee has supported such an effort in the past.

The committee continues to endorse the evolutionary improvement of existing inventory aircraft. So long as growth potential remains in our current tactical aircraft, this method of increasing capability should be preferred over developing entirely new aircraft designs. It is notable that the Soviets have followed this approach with enviable success over the last several years.

The committee reiterates its firm conviction that any evolution to improve the ground attack capability of these aircraft should not degrade the proven air-to-air capabilities of either aircraft.

Since only one aircraft will be selected for development, the committee recommends the authorization of $13.0 million for the F–15E and $11.0 million for the F–16E. This represents a reduction of $12.3 million from the F–15E request and $10.0 million from the F–16E request.

This recommendation is made with the understanding that funds authorized for the aircraft not chosen may be applied to the one that is chosen.

Operational Support Airlift

The authorization request for fiscal year 1983 included $2.557 million for an Operational Support Airlift R&D program. This R&D effort was in support of the European Distribution System Aircraft (EDSA) for which initial procurement is sought in fiscal year 1983.

The committee has recommended that the procurement request for EDSA's in fiscal year 1983 be denied. Accordingly, the committee also recommends that the authorization request for $2.557 million in R&D funds for Operational Support Airlift be denied.

Recommended for Approval as Requested

Very High Speed Integrated Circuits

The fiscal year 1983 request seeks authorization of $66.0 million in funding for RDT&E on Very High Speed Integrated Circuits. In addition, the committee recommends authorization in fiscal year 1982 of $15 million which was appropriated last year but was not authorized for appropriations. See the "Title X—Additional Fiscal Year 1982 Authorization" section of this report.

These circuits hold great promise for a wide variety of defense missions. The committee supports the VHSIC program and is especially interested in the work to be performed in FY 1983 aimed at developing manufacturing technology needed to support future production of very-high-speed integrated circuitry which are capable of performing their missions reliably in a combat environment.

The Common Strategic Rotary Launcher

The administration has asked for $64.1 million in fiscal year 1983 to develop a Common Strategic Rotary Launcher. The committee recommends these funds be authorized as requested.

In the FY 1982 Defense Appropriations Act, Congress appropriated $22.4 million not authorized for development of a Common Strategic Rotary Launcher for air-delivered munitions to be employed on the B–52H, B–1B and the Advanced Technology Bomber.

The committee has recommended authorization in fiscal year 1982 of the funds appropriated last year and recommends approval of the requested $64.1 million in FY 1983. This program holds great promise for cost reduction through standardized design, procurement and maintenance of a single launcher system. The committee believes such an approach should be pursued wherever possible in an effort to avoid unnecessary costs and to simplify logistical support over the life of these systems and the aircraft that will transport them.

Advanced Strategic Missile System

The administration requested $49.7 million in fiscal year 1983 to support research and development on Advanced Strategic Missile Systems, an R&D line associated with ICBM and related technologies, which is recommended for approval.

The Congress has repeatedly expressed its interest in the maintenance of an active, aggressive technology effort in support of ballistic missile programs. Last year, Congress created a new line item called Advanced Strategic Missile Systems and, in so doing, recommended that a stable level of effort be maintained in this program at the level of approximately $100 million per year. The Air Force has consistently chosen to allocate resources provided by the Congress from this account to other purposes. At the present level of effort, the Advanced Strategic Missile Systems program amounts to little more than a penetration aids development program.

The committee believes that the Advanced Strategic Missile Systems program should be viewed as a unique Department of Defense asset capable of providing analytical and developmental expertise concerning ballistic missile technologies relevant to the future viability of U.S. ICBMs and SLBMs and the effectiveness of ABM systems.

The committee requests the Secretary of Defense to provide a report indicating his assessment of the requirement for an ongoing technology development in the following areas: maneuvering reentry vehicles, reentry fuze and ICBM guidance technologies, offense vs defense/ICBM vs ABM research, advanced ICBM concepts and advanced threat studies. This report should identify the level of effort currently programed for each of these areas and, to the degree they are inadequately funded to meet requirements, a funding profile for addressing shortfalls.

If, as a result of the Secretary's review, the Department of Defense wishes to pursue a more aggressive program in these areas through the ASMS line, the committee will consider a reprograming request.

B–1B Bomber

The fiscal year 1983 budget submission contains a request for $753.5 million for RDT&E associated with the B–1B bomber program. The committee recognizes that the additional development such funds will make possible is necessary if this aircraft is to achieve the performance and schedule milestones established for it. Consequently, the committee recommends the approval of this request.

Additional discussion of the B–1B program may be found in the Title I, procurement section of this report.

Air-Launched Cruise Missile

The fiscal year 1983 defense request seeks $186.8 million for RDT&E on the Air-Launched Cruise Missile program. The committee recommends the approval of this request. Additional comments on the ALCM program may be found in the Title I, procurement section of this report.

Space Defense Systems/Miniature Homing Vehicle

The fiscal year 1983 defense budget contains a request for $193.3 million for research and development on an anti-satellite system known as the Miniature Homing Vehicle. The committee recommends the request be authorized.

The committee is aware of Soviet developments in this area and believes that an aggressive program to deploy the Miniature Homing Vehicle is an essential step in the absence of a comprehensive and verifiable agreement to ban anti-satellite weaponry. The committee looks forward to reviewing the assessment made in the inter-agency analysis of National Space Policy concerning the United States' requirements for a mix of anti-satellite systems capable of putting at risk the range of Soviet space assets.

The Congress appropriated $20 million which was not authorized for research and development associated with U.S. anti-satellite programs in its action on the Fiscal Year 1982 Defense Appropriations bill. The committee believes this funding should be for fiscal year 1982 authorized due to the need for a variety of anti-satellite technologies to complement the capabilities provided by the Miniature Homing Vehicle. These funds should not be restricted to any single technology approach.

The KC–135 Reengining Program

The administration seeks $26.3 million for research and development in connection with the fiscal year 1983 request for KC–135

reengining. The committee recommends the approval of the request. For additional information on this program, see the Title I, procurement section of this report.

Space Shuttle

The fiscal year 1983 request contains $136.0 million for procurement and $355.6 million for R&D in support of the Air Force's activities associated with the Space Shuttle. These funds are recommended for approval.

The committee continues to believe that the Space Shuttle program will provide a highly important capability to the Nation's military space community. Progress to date, including the recent third flight of the shuttle Columbia, raises hopes that the Space Transportation System will realize its full potential as a reliable and cost-effective means of exploiting space for civilian and national security purposes.

However, difficulties in attracting qualified engineers for Shuttle-related work at the Vandenberg facility, cost growth in the NASA and DOD elements of the program and delays in the delivery of the Inertial Upper Stages required to exploit fully the Shuttle's military-related capabilities, continues to put at risk the utility of the Shuttle for critical defense missions.

The committee expects to monitor the program closely and anticipates making more comprehensive recommendations in the future after the requested report regarding expendable launcher requirements is provided. See the "Title I—Procurement" section of this report for a discussion of expendable launchers.

Space Boosters

The fiscal year 1983 request seeks $15 million for RDT&E on expendable space boosters. The committee recommends authorization of the request. For a more detailed discussion of this program see the "Title I—Procurement" section of this report.

Ground-Launched Cruise Missile

The administration has requested $28.6 million for RDT&E associated with the Ground-Launched Cruise Missile program. The committee recommends approval of the request. Further remarks on this program can be found in the "Title I—Procurement" section of this report.

Inertial Upper Stage

The administration requested $16.4 miilion for RDT&E associated with the Intertial Upper Stage program in fiscal year 1983. These funds are recommended for approval. For a more detailed discussion of this program, see the "Title I—Procurement" section of this report.

PAVE PAWS Expansion

The fiscal year 1983 defense budget contains a request for $2.6 million in research and development funds for the PAVE PAWS radar system. The committee recommends approval of the request. Additional remarks on this program may be found in the "Title I—Procurement" section of this report.

DSCS III

The fiscal year 1983 request includes $53.1 million for research and development on the Defense Satellite Communications Systems (Phase III). The committee has recommended a reduced authorization for the procurement funds associated with this program (see the Title I, Procurement section of this report) but believes that the RDT&E request should be fully authorized.

CHEMICAL PREPAREDNESS

CHEMICAL PEPAREDNESS PROGRAM

[In millions of dollars]

	Fiscal year 1983 request	Fiscal year 1983 recommendation	Change from request
Protective measures:			
R.D.T. & E	$236	$235.85	−$0.15
Procurement [1]	189	189	0
O. & M	73	73	0
Military construction [2]	9	9	0
Total [3]	508	507.85	−.15
Demilitarization:			
R.D.T. & E	13	13	0
O. & M	61	61	0
Military construction [2]			
Total [3]	74	74	0
Retaliatory:			
R.D.T.& E	32	32	0
Procurement [4]	54	54	0
O. & M [5]	18	18	0
Military construction [2, 6]	19	19	0
Total [3]	123	123	0
Total program	705	704.85	−.15

[1] Includes Army stock fund for war reserve individual protective equipment.
[2] Will be considered in separate legislation.
[3] Subtotals may not add to totals due to rounding.
[4] Includes production equipment: $24,000,000 in fiscal year 1983; $34,000,000 in fiscal year 1984.
[5] Maintenance.
[6] Includes $1,000,000 maintenance facility on Johnston Island.

The administration's request for funds in fiscal year 1983 associated with chemical warfare preparedness fall into three basic categories: protective measures, demilitarization of the existing stockpile and retaliatory weaponry. The proportion of the total request of $705 million sought for such purposes going to protection is 72 percent; for demilitarization, 11 percent; and for retaliatory purposes, 17 percent. A separate section is provided at this point in the report because of the multi-service, multi-account nature of the administration's program for chemical readiness.

The bulk of the funding requested for chemical defense, $503 million, is associated with research and development of new individual and collective protective systems, decontamination, alarm and reconnaissance equipment and medical technology research. For these purposes, the committee recommends the authorization of $235.85 million, a reduction of $150,000 in the Navy's medical development account. An additional $189.0 million is requested, and approved to procure off-

the-shelf equipment which will address some of the most immediate and critical shortcomings in U.S. chemical defenses.

The administration seeks $61 million in operations and maintenance funding for demilitarization of obsolete and dangerous chemical munitions and agents currently in the Nation's retaliatory stockpile. These funds and the $18 million requested for research and development on demilitarization techniques are believed to be particularly important elements of a responsible approach to the maintenance of a credible chemical deterrent. The committee commends the administration for committing significant resources to addressing this long-neglected and onerous national responsibility.

The most controversial aspect of the President's program for chemical preparedness is the $104 million requested in this legislation for modernizing the U.S. chemical retaliatory arsenal. As is discussed elsewhere in this report, the committee believes this portion of the request to be an indispensable part of the comprehensive approach to deterring the outbreak of chemical war announced by the administration. Consequently, the committee strongly supports the $54.1 million sought for procurement of components for the production of 155mm binary chemical artillery shells and Bigeye spray bombs. It also endorses the request for $31.6 million for research and development associated with these and other chemical munitions and $18 million for maintaining and restoring certain unitary munitions already in the stockpile.

The funds recommended for authorization by the committee represent a first step intended to correct significant deficiencies which exist in the U.S. chemical preparedness posture. They are requested, and, recommended for authorization, to deter Soviet first-use of chemical agents and to provide an incentive to the U.S.S.R. to engage in a comprehensive, global and verifiable accord to reach zero-levels in chemical weaponry.

Their expenditure for the authorized purposes should not be construed as committing the United States irrevocably to a chemical rearmament program. To the contrary, the funds approved for demilitarization R.D.T. & E. and for the introduction of binary munitions which are easily and readily dismantled, supports the objective of an early and complete chemical disarmament agreement.

The committee states categorically its preference for a world without chemical weapons; its belief that the verifiable elimination of chemical stockpiles from the United States', the U.S.S.R.'s and all other nations' arsenals is the goal it ardently hopes will be pursued; and its readiness to work for the prompt enactment of legislation to dismantle the American retaliatory capability as soon as such a comprehensive and verifiable ban is in place.

DEFENSE AGENCIES RESEARCH AND DEVELOPMENT

Recommended for Approval as Requested

Defense Department University Research Support

The committee has examined the recent report of the Defense Science Board Task Force on University Responsiveness to National Security Requirements and other evidence documenting the deteriorating

health of the Nation's research universities. The committee is concerned that our leading research universities are suffering from a severe erosion in their capacity to conduct competitive research and advanced education programs in such key fields as science and engineering. Manifestations of such erosion may be found in the fact that many laboratories and much research equipment is seriously outdated. Moreover, insufficient numbers of talented students and researchers are being attracted to careers in fields of science and engineering essential to the Nation's future security. In short, the university research base in the United States is being dramatically weakened with grave implications for the national security.

Consequently, the committee fully supports the proposed expansion of the Department's university research programs, the new research instrumentation program, the graduate fellowship program and other related steps planned by the Department, which have been incorporated in the fiscal year 1983 budget request. The committee urges the Department further to strengthen these important programs in its submission of the fiscal year 1984 authorization request.

The committee also requests that the Department of Defense provide an assessment of the degree to which the national defense requires a vigorous program for providing education and training in foreign languages and area studies. This assessment should include recommendations as to measures, and their costs, which could be implemented to rectify the deficiencies that currently exist in these fields.

Space Laser Program

In fiscal year 1983, the Department of Defense requested $40.6 million for research and development conducted by the Air Force and $71 million in research and development conducted by the Defense Advanced Research Projects Agency on space-based laser systems. The committee believes these funds should be approved as requested.

As the Congress has become increasingly interested in the promise of this technology, the Strategic and Theater Nuclear Forces Subcommittee held several in-depth hearings on this subject and related matters. The military applications of a high-power laser system based in space coupled with an extremely accurate pointing and tracking system, a precisely-manufactured optical array and an effective command and control system could be enormous. However, the uncertainties involved in developing such a system employing today's state of the art technology and the threat posed by various countermeasures available to an adversary, make the investment of sums greatly in excess of those requested by the administration seem undesirable.

The committee welcomes the appointment of a senior focal point for the Department of Defense charged with responsibility for managing the space laser program. Effective coordination and oversight of the various laser development efforts now underway is an essential first step toward the creation of a program capable of attaining the performance objectives advertised for future space-based laser systems. In the meantime, the committee continues to believe that attention should be paid to achieving near-term capabilities such as anti-satellite and, possibly, air defense through ground- and air-based laser systems. Such a balanced approach, together with an aggressive effort to

explore competing technologies for the space-based laser mission, such as X-ray and other short-wavelength systems, appears to the committee to be a more desirable approach than a crash program to develop and deploy a significantly less capable program using available technologies and components.

TITLE III—OPERATION AND MAINTENANCE

O. & M. Overview

The fiscal year 1983 O. & M. request of $69.4 billion in Budget Authority represents an increase of about $7.3 billion, or 12 percent over fiscal year 1982 levels.

As shown in Table 1 relative to other budget activities annual spending for O. & M. remains fairly constant. As a share of total DOD outlays, O. & M. will drop from 33 percent in fiscal year 1982 to 31 percent.

However, with investment accounts growing at a faster rate, as indicated in Table 2, the committee is concerned that O. & M. may have a tendency to lag too far behind. As a share of total budget authority O. & M. has dropped to 27 percent while procurement has risen to 35 percent. The committee agrees that it is not now necessary to provide large scale immediate O. & M. support to procurement programs that will not enter the force until later in the 5-Year Defense Plan. Nevertheless, the operational and support costs must be accurately assessed and programed in order to take full advantage of new systems which will shortly come on line. The committee has some doubt that out-year O. & M. costs are being fully appreciated and planned for in future budgets.

The impact of underfunding in O. & M. is painfully obvious. As greater effort is expended to meet near-term operational requirements backlogs could increase in other areas—endangering the progress made thus far to improve both material readiness and the living and working conditions of our forces.

In this regard, the committee is greatly disturbed by the administration's decision to fund real property maintenance shortfalls in the fiscal year 1982 supplemental request. Regardless of the merits of such increases, it is the committee's view that Supplemental requests should contain only so-called must-fund items. By requesting Real Property Maintenance funding in the Supplemental, and holding down requests for fiscal year 1983, the administration has seriously jeopardized the committee's efforts to achieve a predictable and continuing decline in the backlog of maintenance and repair.

The committee, therefore, directs that the Secretary of Defense issue more detailed fiscal guidance which outlines DOD's plan to achieve congressionally-mandated real property maintenance containment levels within the fiscal year 1983–87 5-Year Plan. A copy of such guidance should be received by the committee no later than December 1, 1982.

TABLE 1.—FISCAL YEAR 1983 OPERATION AND MAINTENANCE SUMMARY

[Dollar amounts in millions]

	Fiscal year 1983 total	O. & M.	O. & M. as percent of total
Army:			
TOA	$60,737	$18,638.8	30.7
Outlays	53,254	18,465.6	34.7
Navy:			
TOA	88,022	24,349.0	27.7
Outlays	66,635	23,258.3	34.9
Air Force:			
TOA	78,373	20,472.8	26.1
Outlays	66,660	19,711.7	29.6
Defensewide/other:			
TOA	30,851	5,931.1	19.2
Outlays	29,352	5,843.1	19.9
Total:			
TOA	257,983	69,391.7	26.9
Outlays	215,901	67,278.7	31.2

	O. & M. as percent of outlays		
	Fiscal year 1981	Fiscal year 1982	Fiscal year 1983
DOD total	33.3	33.2	31.2
Army	35.3	37.7	34.7
Navy	36.5	36.5	34.9
Air Force	34.3	34.2	29.6

TABLE 2.—FISCAL YEAR 1983 DOD (051) REQUEST BY FUNCTION

[Current millions of dollars]

	Fiscal year 1981	Fiscal year 1982	Percent increase	Fiscal year 1983	Percent increase	Percent of fiscal year 1983 total
Military personnel:						
TOA	36,746	38,489	4.7	44,896	16.6	17.4
Outlays	36,409	38,284	5.1	44,534	16.3	20.6
Retired personnel:						
TOA	13,724	15,036	9.6	16,511	9.8	6.4
Outlays	13,729	15,000	9.3	16,471	9.8	7.6
Operation and maintenance:						
TOA	55,245	62,123	12.4	69,392	11.7	26.9
Outlays	51,920	60,585	16.7	67,279	11.0	31.2
Procurement:						
TOA	47,768	65,362	38.6	89,553	37.0	34.7
Outlays	35,191	41,325	17.4	55,144	25.1	25.5
R.D.T.& E.:						
TOA	16,634	20,044	20.5	24,257	21.0	9.4
Outlays	15,278	18,299	19.8	22,200	21.3	11.2
Construction:						
TOA	3,431	5,061	47.5	5,436	7.4	2.1
Outlays	2,463	2,744	11.4	3,975	44.9	2.0
Defensewide/other:						
TOA	2,556	8,120	217.7	7,940	−2.2	3.1
Outlays	1,106	6,563	493.4	6,296	−4.1	2.9
Total:						
TOA	176,103	214,235	21.7	257,983	20.4	100.0
Outlays	156,096	182,300	17.1	215,900	18.1	100.0

Note: Fiscal year deflator=6.9 percent.

Committee Action

The administration request included $69,391.7 million for Operation and Maintenance. The committee authorized $69,057.0 million, a

net reduction of $334.7 million from the request. A summary of the committee action is contained in the following table:

FISCAL YEAR 83 OPERATION AND MAINTENANCE SUMMARY

[In thousands of dollars]

Component	Request	Change	Approved
Army	$16, 827, 600	+$82, 800	$16, 910, 400
Army National Guard	1, 123, 900	+43, 000	1, 166, 900
Army Reserve	686, 400	+9, 700	696, 100
Rifle practice, Army	875		875
Subtotal	18, 638, 775	+135, 500	18, 774, 275
Navy	22, 165, 800	−71, 000	22, 094, 800
Navy Reserve	653, 800	+18, 700	671, 700
Marine Corps	1, 481, 800	−5, 200	1, 476, 600
Marine Corps Reserve	48, 415		48, 415
Subtotal	24, 349, 015	−57, 500	24, 291, 515
Air Force	17, 944, 700	−395, 700	17, 549, 000
Air National Guard	1, 761, 800	+17, 200	1, 779, 000
Air Force Reserve	766, 300		766, 300
Subtotal	20, 472, 800	−378, 500	20, 094, 300
Defense agencies	5, 755, 400	−34, 200	5, 721, 200
Claims, defense	172, 500		172, 500
Court of Military Appeals	3, 210		3, 210
Subtotal	5, 931, 110	−34, 200	5, 896, 910
Total	69, 391, 700	−334, 700	69, 057, 000

Army

The total Army fiscal year 1983 request for O. & M. is $18,638,775 thousand. The committee approved $18,774,275 thousand, for a net increase of $135,500 thousand.

For the active Army the committee approved $16,910,400 thousand, a net increase of $82,800 thousand.

FISCAL YEAR 1985 O. & M. REQUEST—ARMY

[In thousands of dollars]

Program	Request	Recommended change	Total
2—General purpose forces	$6, 089, 145		
3—Intelligence and communications	916, 868		
7—Central supply and maintenance	5, 012, 339		
Supply	(3, 291, 916)		
Maintenance	(1, 720, 423)		
8—Training, medical, personnel	3, 638, 208		
Training	(1, 927, 770)		
Medical	(1, 145, 369)		
Personnel	(565, 069)		
9—Administration	1, 040, 704		
10—Support of other Nations	130, 336		
Total O. & M. Army	16, 827, 600		
Recommendations:			
Reductions:			
Base operations		−$20, 000	
Fuel		−7, 000	
Civilians	(−8, 400)	−102, 700	
CINC readiness fund		−30, 000	
Foreign currency revaluation		−93, 700	
Program 3		−800	
Increases:			
Maintenance and support activities		+62, 000	
Real property maintenance		+$275, 000	
Net change from request			+$82, 800

Recommended Program Changes

Base Operations.—The committee reduced the Army request for Base Operations by $20 million in order to encourage the consolidation of base support activities for co-located facilities.

Fuel Reestimate.—Due to more favorable fuel prices in fiscal year 1983 the committee estimates a $350 million saving to the Department of Defense. The Army share of this saving is estimated at $7 million. The committee reduced the Army request by $7 million.

Civilians.—Based on a decrease of 8,400 civilian personnel elsewhere in this bill, the committee reduced the Army request by $102.7 million.

CINC Readiness Fund.—Under O. & M., Defense Wide Activities, the administration request contained $100 million for contingencies associated with the Unified Commands. The committee determined that this contingency fund should be funded through the services, consistent with other support provided to the Unified Commands. The Army contribution to the CINC Readiness Fund is estimated at $30 million. The committee transfers $30 million from O. & M.A. to O. & M. DWA for this purpose.

Foreign Currency Revaluation.—More up to date foreign currency exchange rates indicate a savings of $195 million when compared to previous estimates. The share of this reduction allocated to the Army is estimated at $93.7 million.

Maintenance Support Activities.—The Army identified numerous shortfalls in maintenance support activities totaling $251 million. Of particular concern are shortages in maintenance engineering ($23 million), updated technical publications ($23 million), new equipment team training ($8 million), manuals ($3 million). The committee therefore recommends an additional $62 million for these purposes.

Real Property Maintenance.—The committee denied all fiscal year 1982 supplemental requests for real property maintenance because the request was not essential to execution of the fiscal year 1982 program. However, in order to reduce the backlog of maintenance and repair the committee approved fiscal year 1983 increases equal to the reductions made in the fiscal year 1982 supplemental request. The committee therefore recommends an additional $275 million for the Army's fiscal year 1983 real property maintenance program.

Army National Guard

For the Army National Guard, the committee approved $1,166,900 thousand, a net increase of $43 million over the request.

The National Guard identified outstanding requirements in excess of $175 million for chemical defense equipment ($72.1 million), cold weather clothing ($104 million), and medical equipment. The committee approved additional funding of $20 million for chemical defense equipment, $20 million for cold weather clothing, and $3 million for medical equipment.

FISCAL YEAR 1983 O. & M. REQUEST—ARMY NATIONAL GUARD

[In thousands of dollars]

Program	Request	Recommended change	Total
Training operations	$135,726		
Logistical support	756,318		
Base operations	88,625		
Depot maintenance	55,906		
HQ and command support	65,893		
Recruiting support	13,414		
Medical support	8,018		
Total	1,123,900		
Recommendations: Increases:			
Chemical defense equipment		+$20,000	
Medical equipment		+3,000	
Cold weather clothing		+20,000	
Net change from request			+$43,000

Army Reserve

For the Army Reserve, the committee approved $696,100 thousand for O. & M., a net increase of $9,700 thousand over the request.

FISCAL YEAR O. & M. REQUEST:—ARMY RESERVE

[In thousands of dollars]

Program	Request	Recommended change	Total
Training and organization	$423,610		
Depot maintenance	7,741		
Other support	255,049		
Total	686,400		
Recommendations: Increases:			
Tactical intelligence training		+$316	
Automated pay testing		+995	
Real property maintenance		+7,400	
CAPSTONE training		+993	
Net change from request			+$9,704

The committee's action included the following changes:

Readiness Training for Tactical Intelligence.—The committee approved additional funding of $316 thousand for tactical intelligence Readiness Training (REDTRAIN) to maintain individual proficiency and train replacement manpower leaving the reserve in critical intelligence MOS.

Automated Pay/Attendance.—A 28 January 1980 GAO report concluded that the Army Guard and Reserve Pay Systems do not have adequate controls to prevent erroneous payments. Two programs were tested successfully. The first is Consolidated Army System for Processing Entitlements to Reservists (CASPER). The second program is a new improved Drill Attendance Reporting Test (DART) system. The committee approved the addition of $995 thousand for expansion of CASPER and DART testing.

Real Property Maintenance.—The committee approved the addition of $7,400 thousand to reduce the Army Reserve backlog maintenance

and repair to the congressionally directed fiscal year 1978 containment level of $46.2 million.

CAPSTONE Training Support.—The committee approved the addition of $993 thousand for expansion of the CAPSTONE program for travel of commanders and staffs of 365 commands. Travel will be for the purpose of conducting joint planning to develop mobilization plans.

Rifle Practice, Army

The committee approved the administration request of $875 thousand for operations associated with the National Board for the Promotion of Rifle Practice.

Navy

The total O. & M. request for fiscal year 1983 for the Department of the Navy is $24,349,015 thousand. The committee approved $24,291,515 thousand, for a net reduction of $57,500 thousand from the request.

For the active Navy the committee approved $22,094,800 thousand, a net reduction of $71,000 thousand from the request.

FISCAL YEAR 1983 O. & M. REQUEST—NAVY

[In thousands of dollars]

Program	Request	Recommended change	Total
1—Strategic forces	$1,774,512		
2—General purpose forces	11,073,259		
3—Intelligence and communications	942,402		
7—Central supply and maintenance	6,043,336		
8—Training, medical, personnel	1,836,858		
9—Administration	495,108		
10—Support of other nations	195		
Total O. & M. Navy	22,165,770		
Recommendations:			
Reductions:			
Base operations		−$20,000	
Fuel		−133,000	
TAKX		−30,000	
CINC readiness fund		−30,000	
Foreign currency revaluation		−32,000	
Program 3		−2,300	
Increases:			
Modification installation		+101,300	
Real property maintenance		+75,000	
Net change from request			−$71,000

The committee's action included the following changes:

Base Operations.—The committee reduced the Navy request for base operations by $20 million in order to encourage the consolidation of base support activities for co-located facilities.

Fuel Reestimate.—Due to more favorable fuel prices in fiscal year 1983 the committee estimates a $350 million saving to the Department of Defense. The Navy share of this saving is estimated at $133 million. The committee reduced the Navy request by $133 million.

TAKX.—The fiscal year 1983 request included $40 million for the conversion and charter of TAKX, maritime pre-positioned ships in support of the RDJTF. Though supportive of the program, the fiscal year 1982 Authorization Conference had rejected funding for TAKX

due to the Navy's inability to provide sufficient cost and program detail. As with fiscal year 1982, the fiscal year 1983 issue remains the Navy's ability to demonstrate the long-term savings that would result from the convert and charter approach. Moreover, the fiscal year 1982 program is undergoing a reorganization which calls into question the need for fiscal year 1983 funding. The committee, therefore, reduced this program by $30 million.

CINC Readiness Fund.—Under O. & M., Defense Wide Activities, the administration request contained $100 million for contingencies associated with the Unified Commands. The committee determined that this contingency fund should be funded through the services, consistent with other support provided to the Unified Commands.

The Navy contribution to the CINC Readiness Fund is estimated at $30 million. The committee transfers $30 million from O. & M.N. to O. & M. DWA for this purpose.

Foreign Currency Revaluation.—More up to date foreign currency exchange rates indicate a savings of $195 million when compared to previous estimates. The share of this reduction allocated to the Navy is estimated at $32.0 million.

Modification Installation.—The Navy identified a requirement of $317.2 million for aircraft modification installation. Only $214.4 million of this amount is included in the fiscal year 1983 request. To improve the efficiency of depot maintenance operations the committee has added $101.3 million for aircraft modification installation.

Real Property Maintenance.—The committee denied all fiscal year 1982 Supplemental requests for real property maintenance because the request was not essential to execution of the fiscal year 1982 program. However, in order to reduce the backlog of maintenance and repair the committee approved fiscal year 1983 increases equal to the reductions made in the fiscal year 1982 Supplemental request. The committee therefore recommends an additional $75 million for the Navy's fiscal year 1983 real property maintenance program.

Ship Overhauls.—The Navy's request for scheduled ship overhauls totals $2,518.8 million for fiscal year 1983, 44 percent of the total ship maintenance request of $5,677.8 million.

The committee received testimony indicating that the Navy has a broadly based policy to improve ship maintenance management and reduce the cost of overhauls. The committee supports this effort. However, it is also apparent that these policies have not yet fully taken effect. The Navy experienced serious cost overruns on the overhaul of *Enterprise*, and the FBI and NIS are currently joined in investigations of cost overruns in the overhaul of ships in San Diego. It is the committee's view that policies to improve the cost estimating process for overhauls must be implemented as soon as possible, and must result in greater efficiencies in executing the fiscal year 1983 ship overhaul program.

The committee therefore approved the request of $2.518.8 million for scheduled overhauls, but will provide no further authorization for this purpose without a prior approval reprograming request.

Navy Reserve

For the Navy Reserve the committee approved $671,700 thousand, an increase of $18,700 thousand over the request.

FISCAL YEAR 1983 O. & M. REQUEST—NAVY RESERVE

[In thousands of dollars]

Program	Request	Recommended change	Total
Mission forces	$398,325		
Depot maintenance	103,775		
Other support	150,900		
Total	653,000		
Recommendations: Increases:			
Real property maintenance		+$10,000	
Aircraft modification installation		+8,700	
Net change from request			+$18,700

Real Property Maintenance.—The committee approved the addition of $10 million to reduce the Navy Reserve Backlog of Maintenance and Repair to approximately $28 million, only $7 million above the congressionally mandated containment level.

Aircraft Modification Installation.—The committee approved an addition of $8.7 million for the full funding of modification installations associated with the Navy Reserve depot maintenance program.

Marine Corps

For the Marine Corps, the committee approved $7,476,600 thousand for O. & M., a net reduction of $5,200 from the request.

FISCAL YEAR 1983 O. & M. REQUEST—MARINE CORPS

[In thousands of dollars]

Program	Request	Recommended change	Total
2—General purpose forces	$861,792		
7—Central supply and maintenance	358,861		
8—Training, medical, personnel	190,169		
9—Administration	70,978		
Total O. & M. Marine Corps	1,481,800		
Recommendations:			
Reductions:			
CINC readiness fund		−$10,000	
Foreign currency revaluation		−10,200	
Increases: Real property maintenance		+15,000	
Net change from request			−$5,200

The committee's action included the following changes:

CINC Readiness Fund.—Under O. & M., Defense Wide Activities, the administration request contained $100 million for contingencies associated with the United Commands. The committee determined that this contingency fund should be funded through the services, consistent with other support provided to the Unified Commands. The Marine Corps contribution to the CINC Readiness Fund is estimated at $10 million. The committee transfers $10 million from O. & M.M.C. to O. & M. DWA for this purpose.

Foreign Currency Revaluation.—More up to date foreign currency exchange rates indicate a savings of $195 million when compared to previous estimates. The share of this reduction allocated to the Marine Corps is estimated at $10.2 million.

Real Property Maintenance.—The committee denied all fiscal year 1982 Supplemental requests for real property maintenance because the request was not essential to execution of the fiscal year 1982 program. However, in order to reduce the backlog of maintenance and repair the committee approved fiscal year 1983 increases equal to the reductions made in the fiscal year 1982 Supplemental request. The committee therefore recommends an additional $15 million for the Marine Corps' fiscal year 1983 real property maintenance program.

Marine Corps Reserve

For the Marine Corps Reserve, the committee approved the request of $48,415 thousand without change.

Air Force

For the total Air Force, the committee approved $20,094,300 thousand, a reduction of $378,500 thousand from the request.

For the active Air Force, the committee approved $17,549,000 thousand, a reduction of $395,700 thousand from the request.

FISCAL YEAR 1983 O. & M. REQUEST—AIR FORCE

[In thousands of dollars]

Program	Request	Recommended change	Total
1—Strategic forces	$3,084,528		
2—General purpose forces	3,823,598		
3—Intelligence and communications	1,417,892		
4—Airlift/sealift	1,202,213		
7—Central supply and maintenance	6,034,458		
8—Training, medical, personnel	1,978,082		
9—Administration	388,522		
10—Support of other nations	6,807		
Total O. & M. Air Force	17,944,700		
Recommendations:			
Reductions:			
Fuel		−$210,000	
Base operations		−20,000	
CINC readiness fund		−30,000	
Foreign currency revaluation		−47,500	
Depot maintenance contract authority		−190,000	
Increases:			
Real property maintenance		+75,000	
B-SLD		+20,000	
Titan		+6,200	
Program 3		+600	
Net change from request			−$395,700

The committee's action included the following changes:

Fuel Reestimate.—Due to more favorable fuel prices in fiscal year 1983 the committee estimates a $350 million saving to the Department of Defense. The Air Force share of this saving is estimated at $210 million. The committee reduced the Air Force request by $210 million.

Base Operations.—The committee reduced the Air Force request for Base Operations by $20 million in order to encourage the consolidation of base support activities for co-located facilities.

CINC Readiness Fund.—Under O. & M. Defense Wide Activities, the administration request contained $100 million for contingencies associated with the Unified Commands. The committee determined that this contingency fund should be funded through the services, consistent with other support provided to the Unified Commands. The Air Force contribution to the CINC Readiness Fund is estimated at $30 million. The committee transfers $30 million from O. & M. DWA for this purpose.

Foreign Currency Revaluation.—More up to date foreign currency exchange rates indicate a savings of $195 million when compared to previous estimates. The share of this reduction allocated to the Air Force is estimated at $47.5 million.

Contract Depot Maintenance.—In response to congressional directive, the Air Force request included $350 million in budget authority to cover contract liabilities which are carried over between fiscal years. The Air Force has subsequently determined that only $160 million in obligational authority is required to meet contract liabilities, provided that the Air Force contract depot maintenance program remains in the Industrial Fund. The committee therefore recommends a reduction of $190 million from the Air Force request.

Real Property Maintenance.—The committee denied all fiscal year 1982 Supplemental requests for real property maintenance because the request was not essential to execution of the fiscal year 1982 program. However, in order to reduce the backlog of maintenance and repair the committee approved fiscal year 1983 increases equal to the reductions made in the fiscal year 1982 Supplemental request. The committee therefore recommends an additional $75 million for the Air Force's fiscal year 1983 real property maintenance program, of which not less than $7.1 million shall be used for the maintenance and repair of Strategic Air Command runways at Offutt Air Force Base.

B–52 Bomber Force.—In fiscal year 1983, $101.2 million was requested to maintain two squadrons of B–52Ds in the active inventory. These aircraft are the oldest manned bombers still in the United States' inventory. Initially deployed in the 1950s, the B–52Ds have served the Nation well but are widely regarded as no longer being able reliably to penetrate Soviet air defenses in a strategic retaliatory attack.

Last year as part of the strategic force modernization program, the administration announced its intention to retire the five squadrons of B–52Ds beginning in FY 1982 in view of the high costs of manning and maintaining these aircraft and their minimal contribution to a non-generated counter-attack capability.

The authorizing committees concurred in the President's decision in their action on the FY 1982 Defense Authorization Act. The appropriations committees, however, recommended that the B–52Ds be retained until the B–1 or another new strategic bomber becomes available.

The cost of maintaining in the inventory the three squadrons of B–52Ds currently slated for retirement is estimated to be approximately $251.0 million. The committee believes there are higher priority requirements for these funds and recommends once more that the

administration's plan for retiring these aircraft be permitted to go forward in fiscal year 1983. The committee recommends, however, that the Air Force take steps to maintain one of the three squadrons of B–52Ds planned for retirement in a "flyable storage" condition which would permit their return to service on short notice for conventional force projection and/or maritime missions. Toward this end, the committee recommends the addition of $20 million to the request.

The committee requests the Secretary of Defense to prepare a study of the utility of retaining such a capability in the inventory. Included in this study should be an assessment of the ways in which the respective roles and missions of the Air Force and the Navy would influence management and operations of these assets and the costs and force-multiplying effect such a capability could provide the United States. Should this analysis support such an action, the committee will consider requests for funding to return the flyable-storage squadron to active duty for such missions in fiscal year 1984.

B–52 Reengining.—The committee also believes that the B–52G and B–52H fleet represents a valuable asset and that an analysis of the future B–52 force structure should be undertaken by OSD and the Air Force. This analysis would consider the optimum B–52 force as it relates to the B–1 and ATB and should review options for mission improvements and enhancements, particularly as they relate to conventional roles. One potential enhancement that has been suggested is the reengining of certain B–52 models with more modern fuel efficient engines which could reduce the U.S. tanker shortfall and increase the mission capability of these aircraft for long-range operations.

Titan Missile Retirement.—A total of $2.4 million in procurement and $19 million in O. & M. funds was requested in fiscal year 1983 for the Titan II missile force. These missiles are the oldest ICBM's in the U.S. inventory. First deployed in 1963, their high megatonnage warheads have long constituted an important element of the United States' strategic capability. The President as part of his strategic force modernization program, called for the retirement of these weapons starting in fiscal year 1983.

As noted elsewhere, the committee has recommended that the MX missile not be deployed on an interim basis in existing silos and has directed that a plan for survivably basing the MX missile be presented to Congress by December 1, 1982. While the Titan II missiles do not possess hard-target kill capability, their unique large-yield characteristics do contribute to the U.S. nuclear deterrent and free up other, higher accuracy missiles for targets which require such accuracy. Consequently, the committee believes that retirement of the Titan II missile force should be deferred until a plan for survivably basing the MX has been received and approved by Congress. The Committee is recommending an authorization of an additional $76 million in procurement to retain the 52 Titan missiles in the inventory in a safe and reliable condition through fiscal year 1983. Similarly, an additional $6.2 million is recommended for additional operations and maintenance required by retaining these weapons.

Minuteman II/III Upgrades.—The Air Force requested $104.4 million in fiscal year 1983 for operation and maintenance activities associated with the Minuteman II and III ICBM force.

The committee is concerned that the advancing age of the Minuteman II and III force requires an increasing commitment of resources to insure the continued reliable performance of these weapon systems. The fact is that, under present planning, the Minuteman force will remain a key element of the U.S. strategic deterrent posture for the foreseeable future. It is imperative that a concerted effort be made to support in a timely fashion missile overhauls and silo refurbishments that are required to extend the Minuteman system's useful life.

The committee directs the Air Force to submit a comprehensive plan and funding profile for the maintenance of these assets together with the fiscal year 1984 budget request.

Air National Guard

For the Air National Guard, the committee approved $1,779,000 thousand, an increase of $17,200 thousand over the request.

FISCAL YEAR 1983 O. & M. REQUEST—AIR NATIONAL GUARD

[In thousands of dollars]

Program	Request	Recommended change	Total
Operation of aircraft	$530,550		
Logistical support	289,637		
Training support	937,945		
Servicewide support	31,668		
Total	1,761,800		
Recommendations: Increases:			
Real property maintenance		+$6,000	
Cold weather equipment		+8,200	
Chemical defense equipment		+3,000	
Net change from request			+$17,200

The committee action included the following changes:

Organizational Clothing.—The committee approved the addition of $8.2 million for Cold Weather Clothing, and $3 million Chemical Defense Equipment. This addition of $11.2 million will buy out the full ANG requirement for cold weather clothing and CWDE.

Real Property Maintenance.—The committee approved an addition of $6 million to prevent growth in the ANG backlog of maintenance and repair over fiscal year 1982 levels.

Air Force Reserve

For the Air Force Reserve, the committee approved the request of $766,300 thousand without change.

Defense Agencies and Defense-Wide Activities

For the Defense Agencies and other Defense-Wide activities, the committee approved $5,896,910 thousand for O. & M., a reduction of $34,200 thousand from the request.

FISCAL YEAR 1983 O. & M. REQUEST—DEFENSE AGENCIES/DEFENSE-WIDE ACTIVITIES

[In millions of dollars]

Program	Request	Recommended change	Total
Defense agencies:			
Personnel support	$1,734,000		
Technical support	1,834,000		
Logistics support	1,389,000		
Management support	435,000		
JCS	363,000		
Claims, Defense	172,500		
Court of Military Appeals	3,210		
Total	[1] 5,931,110		
Recommendations:			
CINC readiness fund	[2] 100		
Reductions:			
Foreign currency revaluation		−$11.6	
Civilians	(−2,600)	−34.7	
Program 3		−7.9	
Increases: Real property maintenance		+20.0	
Net change from request			−$34.2

[1] Numbers may not add due to rounding.
[2] Transfer from other accounts.

The committee's action included the following changes:

CINC Readiness Fund.—The fiscal year 1983 request includes $100 million for a CINC Readiness Fund to meet the unprogramed contingency requirements of Unified Commands. While the committee has encouraged greater participation of the Office of the Joint Chiefs of Staff in the budget process, the committee believes that, until broader reforms are initiated in the funding of JCS activities, these activities should remain funded by service contributions. The committee action therefore authorizes the $100 million contingency fund through offsetting reductions in the individual services O. & M. requests.

Foreign Currency Revaluation.—More up to date foreign currency exchange rates indicate a savings of $195 million when compared to previous estimates. The share of this reduction allocated to the Defense Agencies is estimated at $11.6 million.

Civilians.—Based on the reduction of 2,600 civilian spaces shown elsewhere in this bill, the committee reduced the O. & M. Defense Agencies request by $34.7 million.

Real Property Maintenance.—The committee denied all fiscal year 1982 Supplemental requests for real property maintenance because the request was not essential to execution of the fiscal year 1982 program. However, in order to reduce the backlog of maintenance and repair the committee approved fiscal year 1983 increases equal to the reductions made in the fiscal year 1982 Supplemental request. The committee therefore recommends an additional $20 million for the Defense Agencies' fiscal year 1983 real property maintenance program.

TITLE IV—ACTIVE FORCES

Background on Active Forces Authorization

Since fiscal year 1972, Congress has been required by law (Public Law 91–441) to authorize annually the active duty strength of each component of the Armed Forces. This provision was included in the Senate version of the fiscal year 1971 Department of Defense Authorization Bill to enhance congressional oversight of military manpower requirements.

This year the Subcommittee on Manpower and Personnel held six hearings in open session to receive testimony from Defense Department manpower officials on the active duty military personnel end strengths requested by the Department of Defense for fiscal year 1983. Based on this hearing record, the information contained in the Military Manpower Requirements Report and the Military Manpower Training Report for fiscal year 1983 submitted by the Department of Defense, and other information provided to the committee, a thorough review and analysis of fiscal year 1983 manpower requirements has been completed. The committee's recommendations concerning active duty manpower end strengths are reflected below.

Committee Considerations

In determining the appropriate military end strength levels for each of the Services for fiscal year 1983, the committee examined the Department of Defense's Total Force policy, the force structure necessary to implement that policy, the manpower required for support and overhead functions, and associated personnel policies. The committee reviewed each of the major functional categories of military manpower depicted in the table on page 122.

The force structure for fiscal year 1983 continues to be based on the Department of Defense's Total Force Policy, which recognizes that all units in the force structure contribute to success in wartime. Active duty units comprise that portion of the total force needed for a contingency not involving mobilization, for immediate deployment in a major war before Selected Reserve units can be deployed, and for forward deployment in peacetime as a deterrent against major conflict.

The Department of Defense has requested a total active duty end strength of 2,147,600 for fiscal year 1983. This request represents an increase of 39,800 over the level authorized for fiscal year 1982. Most of the increases are in combat forces and training support. The force structure for which the manpower is requested consists of 16 Army Divisions, 26 Air Force Wings, 3 Marine Divisions, 535 battle force ships, and 21 local defense and miscellaneous support vessels.

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DEFENSE DEPARTMENT MILITARY MANPOWER REQUEST, FISCAL YEAR 1983

[End strengths in thousands]

	Fiscal year—				
	1964 actual	1980 actual	1981 actual	1982 request	1983 request
Strategic	222	96	92	95	96
Tactical/mobility	1,060	925	957	983	997
Land forces	605	545	563	559	562
Tactical forces	145	167	175	189	195
Naval forces	255	176	182	196	200
Mobility forces	55	37	38	39	40
Auxiliary activities	187	97	93	98	99
Intelligence	76	32	30	31	33
Communications	43	32	32	33	33
Research and development	49	23	22	24	23
Geophysical activities	18	10	10	10	10
Support activities	1,218	933	940	935	953
Base operating support	433	305	305	300	298
Medical support	84	40	43	42	42
Personnel support	18	31	32	32	32
Training [1]	519	453	455	455	474
Central logistics	33	19	19	20	21
Centralized support activities	48	44	45	44	44
Management headquarters	83	39	38	39	39
Federal agency support	2	3	3	3	3
Total Defense Department: [2]	2,687	2,050	2,082	2,111	2,145
Army	973	777	781	784	784
Navy	667	527	540	553	569
Marine Corps	190	189	191	192	195
Air Force	857	558	570	581	600

[1] Includes training staff, trainees, students, and transients.
[2] Subtotals may not add to totals due to rounding.

Committee Recommendations

The committee recommends approval of an active duty end strength of 2,137,100 for fiscal year 1983. This level represents an increase of 29,300 personnel from the authorized end strength for fiscal year 1982. The committee recommendation on the active duty end strength for each military service is shown below:

ACTIVE DUTY MANPOWER

[End strengths in thousands]

	Authorized levels, fiscal year 1982	Request, fiscal year 1983	Committee recommendation, fiscal year 1983	Change from request
Army	[1] 780.3	783.8	783.8	0
Navy	554.6	569.2	564.2	−5.0
Marine Corps	192.1	194.6	194.6	0
Air Force	580.8	600.0	594.5	−5.5
Total [2]	2,107.8	2,147.6	2,137.1	−10.5

[1] Does not include the fiscal year 1982 supplemental request for 4,100 additional active duty personnel.
[2] Subtotals may not add to totals due to rounding.

As noted in the above chart, the committee recommends a decrease of 10,500 active duty military personnel from the requested manpower

level. This reduction is due to a number of factors discussed under the appropriate Service manpower section below.

Army Manpower

The committee recommends approval of the Army's requested end strength of 783,800 for fiscal year 1983. This end strength provides for manning of a relatively stable force structure at a lower end strength than that programed in the fiscal year 1982 President's budget. For the near-term, the Army has elected to maintain a relatively stable active force strength, effectively balanced between combat and support forces, Active and Reserve, and complemented with well-trained manpower and modern weapons and equipment.

A foremost priority for the Army during the decade of the 1980's is a moderate and stable modernization program. Through the exploitation of high technology, an improved force structure design and an intensive program of individual and unit training, the Army hopes to achieve greater personnel efficiency and effectiveness. The Army currently is developing a New Manning System which is designed to reduce turbulence in units and promote better teamwork and higher training standards. This American regimental system is based on three major precepts—stabilization, unit rotation and homebasing. The committee will continue to monitor the development of this promising change in Army manpower rotation policies.

The Army made significant improvement during fiscal year 1981 in the areas of recruiting and retention. In fiscal year 1981 the Army instituted the Total Army Enlisted Objectives to increase the high school diploma graduate content of accessions and to reduce cohort attrition. The results were significant. High school diploma graduates in fiscal year 1981 were 80.3 percent of all active Army non-prior service accessions, a level higher than anytime during the all volunteer era. The number of Mental Category I–IIIA accessions rose by 12.6 percent, and the number of recruits in Mental Category IV declined by 56 percent. While the committee is encouraged by the turnaround in the quality of Army accessions in such a short time, it cautions that greater recruiting and retention challenges lie ahead. More demanding quality constraints, an improved economy and the declining demographics in the male youth population will challenge Army manpower managers during the middle and late 1980's.

Navy Manpower

The fiscal year 1983 active military authorization request for 569,200 (excluding 11,828 active duty Reserves) personnel represents an increase of 25,772 over the currently authorized fiscal year 1982 total of 543,4.8 (excluding 11,172 active duty Reserves). The fiscal year 1983 increase primarily reflects the continued growth in the size of the active fleet and increased manning to the tactical air forces. The Navy's total battle forces will increase from 514 ships in fiscal year 1982 to 535 in fiscal year 1983.

To meet the needs of this expanding fleet, an increase of 5,600 active duty personnel are required for the operating forces and 6,000 for auxiliary and other fleet support activities. The largest portion of the 25,772 increase, 14,200, is intended for the transient and training account. The primary reason for this significant growth is to correct

past manning deficiencies that resulted from insufficient billets in the individuals account. The individuals account consists of those members of the active force who are not available for assignment to ships and squadrons because of being in a training, permanent change-of-station, medical or disciplinary status.

The committee recognizes the real need to fully account for this portion of the force. Failure to do so ultimately results in undermanning of Navy units. However, the committee also feels that the Navy must devote strong management attention to the amount of time its personnel now spend in a transient status, particularly in the area of temporary duty. Therefore, the committee recommends a reduction in the Navy active strength request of 5,000, which still results in an increase of 20,772 over the fiscal year 1982 authorized level.

Marine Corps Manpower

The committee recommends approval of the Marine Corps requested end strength of 194,600, an increase of 2,500 from the fiscal year 1982 request. The Marine Corps continues to experience success in meeting its accession and retention goals. This trend will allow the Marine Corps to narrow the gap between its current manning levels and a peacetime structure which requires approximately 211,000 personnel to be fully manned.

The committee agrees with the Marine Corps policy to place emphasis on improving combat effectiveness through higher manning and more capable and better equipped units. To this end, Fleet Marine Force units will receive higher manning levels and certain combat support and service support units removed from cadre status. The balance of the end strength increase will be applied to manning equipment acquisition and enhancement programs.

Air Force Manpower

The committee recommends an end strength of 594,500 for the Air Force. This figure reflects a decrease of 5,500 in the requested 19,200 increase for fiscal year 1982. Active force increases for fiscal year 1983 are intended primarily to support additional aircraft and weapon systems such as tactical fighters, tactical training aircraft, Ground Launched Cruise Missile bases, Air Launched Cruise Missiles and NATO AWACS. In addition, the Air Force has undertaken major initiatives to increase wartime readiness. The majority of this increase will provide the Air Force with additional aircraft maintenance personnel required to enable the tanker fleet to meet wartime and contingency taskings in support of the strategic, tactical and mobility forces.

In fiscal years 1981 and 1982, the Air Force has experienced significant improvement in its retention of skilled and experienced enlisted and officer personnel. As a result of the improved retention, the committee believes that fewer accessions will be required in fiscal year 1983 and directs that corresponding adjustments be made in the accession, training and support accounts. Approximately 3,000 of the reduction should be considered in training activities. The remainder of the 5,500 reduction should be based upon Air Force priorities; however, consideration should be given to performance of the functions of rapid runway repair, food services (Prime Ribs) and dormi-

tory management by either Air Force civilians or the Air Reserve and National Guard forces. The committee believes that these functions and others could adequately be performed by either of these components.

The committee continues to believe that conversion of certain military positions to civilian positions is a cost effective and efficient method of performing Air Force functions and commends the Air Force for aggressively pursuing such a program of conversion.

Quality of Military Personnel

There are two measures of recruit quality which the military uses to evaluate the ability of potential accessions to perform assigned tasks and successfully complete obligated service. They are an individual's educational level and mental aptitude. Possession of a high school diploma is one important indicator of the capacity of individuals to adjust successfully to military life. The attrition rate of a non-high school graduate is nearly twice as high as that of a high school graduate. Mental aptitude is evaluated on the basis of Armed Forces Qualification Test (AFQT) scores. The services have found that those new recruits who score average or above on the AFQT require less training time and are more likely to qualify for specialized training in a greater number of occupational areas.

During fiscal years 1979 and 1980, the committee became increasingly concerned with the declining trends in the quality of the services' new recruits. The percentage of high school graduates enlisting in the military in fiscal year 1980 had dropped 10 percentage points from the previous 2 fiscal years. It was also discovered that because of errors in calibrating scores on the military entrance exams, many recruits placed in Mental Category III should have been recorded in Mental Category IV.

As a result of this situation, statutory restrictions on the numbers of individuals who scored in the lowest acceptable AFQT category (IV) and Army male non-high school diploma graduates were enacted. The following table shows the congressional constraints for fiscal years 1981 through 1983:

Fiscal year	Maximum percentage of Category IV Recruits	Maximum percentage of nonhigh school graduates
1981	25 percent Department of Defense wide	35 percent Army males.
1982	25 percent each Service	Do.
1983	20 percent each Service	Do.

Moreover, in fiscal year 1982, Congress prohibited the enlistment of non-high school graduates who score in Mental Category Group IV.

Although the Department of Defense formally opposed these legislative constraints on the basis that they limited management flexibility, the committee received testimony from the services that the pressure to do better was well applied. In fiscal year 1981, the services did do better and exceeded the quality standards mandated by Congress. The requirement that at least 65 percent of Army male recruits be high school graduates was extended through fiscal year 1982 by the fiscal year 1982 DOD Authorization Act. This restriction is due to ex-

pire at the end of fiscal year 1982. The committee again extends this restriction on the percentage of male recruits who have not completed high school in order to demonstrate the committee's continued commitment to improve the quality of accessions.

The committee is gratified that recruit quality in fiscal year 1981 improved dramatically when compared to the four preceding years. The number of non-prior service enlistees who scored average or above on the AFQT rose by 13 percentage points, from 69 to 82 percent, in fiscal year 1981 over fiscal year 1980. Particularly noteworthy was the Army increase—19 percentage points—from 50 percent to 69 percent. In addition, comparisons with previous years show that in fiscal year 1981 the Department of Defense attracted a higher proportion (81 percent) of high school diploma graduates than ever before—even during conscription. The Army proportion of 80 percent of high school graduates for fiscal year 1981 was a significant improvement over previous years. The committee is also pleased to note that the recruiting of high school diploma graduates and individuals who score average or above on the enlistment test continues to be successful in fiscal year 1982.

Over the past 18 months, the Department of Defense has maintained its commitment to recruit highly qualified youth. The committee strongly supports this effort and urges the Department of Defense to continue its initiatives with the same intensity in the future. Recent successes in recruit quality are laudable, but lasting improvement will depend upon identifying the manpower challenges that lie ahead and implementing a program now which is designed to address them.

Military Compensation

During the past 2 years the committee has witnessed a dramatic turnabout in the military manpower situation, specifically in the areas of recruiting and retention. In fiscal year 1981, all of the services met or exceeded their recruiting goals. The services have not only achieved their numerical recruiting goals, but more importantly, they have done so with higher quality accessions. This is evidenced by the increased percentages of high school diploma graduates and those who scored average or above on the Armed Forces Qualification Test.

It was during this period that the Congress came to grips with a problem that has plagued the military for many years, namely, inadequate compensation. As a result, over the past 2 years the Congress made significant improvements in many aspects of military compensation.

The compensation improvements over the past 2 years were designed to provide all personnel with a significant pay raise and, at the same time, to address specific deficiencies. During this period, the committee concluded there were specific compensation problems that an across-the-board pay raise could not resolve. Therefore, the committee focused on improvements in the special and incentive pays which are designed to attract and retain specific skill specialties, such as aviators and nuclear power technicians; created the Variable Housing Allowance to reimburse those personnel who are actually experiencing out-of pocket housing expenses as a result of being assigned to high cost areas; and targeted the October 1981 pay raise to provide larger

increases to experienced career enlisted members. These improvements have not only stemmed the exodus of skilled and experienced personnel from the service, thereby greatly enhancing force readiness, but have proven to be cost effective as well.

Therefore, the committee would be very concerned if the Congress failed to provide a fair pay raise to military personnel in fiscal year 1983. Such an action would signal a return to the painful "boom and bust" cycles from which the services have only recently been recovering.

The committee believes that the progress that has been made to restore the comparability and competitiveness of military pay must continue. The military will face enormous manpower challenges in the years ahead as the economy recovers and as the size of the male youth population decreases as a result of changing demographics. It is essential that the Department of Defense and the Congress work together to identify the manpower problems that will arise during the latter half of this decade and to structure a total compensation package to address them.

Authority to Exceed Active Duty End Strengths

The Secretary of Defense has requested the authority to exceed the authorized end strength of any component of the Armed Forces by not more than 1.5 percent in any fiscal year if he determines that such an increase is needed to maintain a stable personnel force. Currently, active duty personnel is the only category of personnel for which no end strength flexibility is provided to the Department of Defense.

The committee agrees with the Department of Defense that an inflexible, one-day ceiling on active duty personnel creates management problems for the military department in the management of the personnel force. These management problems are exacerbated in a period of force growth. With a declining force structure such as has occurred in the past, the requirement has not been a serious impediment to force management. Today, however, it becomes inefficient with a growing or stable force structure. It could also result in the premature loss of the experienced personnel needed in a growing or modernizing force.

Although the committee agrees with the Department's request for management flexibility in this area, it does not concur in the percentage requested. Therefore, the committee approves a .5 percent flexibility for each active service. The Secretary of Defense shall promptly notify the Congress of any increase in the authorized active duty end strength.

Indian Ocean "Save Leave"

The Military Pay and Allowances Benefits Act of 1980 granted authority to service members to accumulate up to 90 days leave under certain circumstances. An effective date of October 1, 1979, was intended by the committee for this provision in order to allow equal treatment for all who endured the prolonged Indian Ocean deployments both prior to and after the current January 1, 1981, effective date of the law. However, the October 1, 1979, effective date was inadvertently omitted.

To correct the oversight, a technical change was enacted on August 14, 1981, in the Fiscal Year 1981 Defense Department Supplemental

Authorization Act. Because the law requires that the accrued leave is lost unless it is utilized before the end of the fiscal year after the fiscal year in which the service is terminated, leave accrued in excess of 60 days during fiscal year 1980 from Indian Ocean operations would have to be used in fiscal year 1981 to avoid losing the leave. Since the retroactive amendment was not enacted until August 14, 1981, many deployed members were unable to use the leave they were eligible to carry over from fiscal year 1980.

To provide relief for these deserving service members, the committee recommends extending by 1 year the date in which leave carried over must be used by those members who were eligible for leave carry-over because of fiscal year 1980 Indian Ocean operations.

Military Manpower Requirements Report

The statutory reports on military manpower requirements and military manpower training for the Department of Defense provide the committee with useful information with which to consider the Department's request for military, civilian and reserve forces. The committee expects the Unit Annex to be submitted each year together with the statutory Manpower Requirements Report.

The committee requests that the Department of Defense make no changes in the categories used in the Manpower Requirements Report and the accompanying Unit Annex until such changes have been fully reviewed by the committee, and a detailed explanation of changes from the current to the proposed categories has been provided for current and prior years and for prior years' manpower requests. The committee expects this reporting system to continue measuring manpower utilization and plans in a stable, consistent manner and to avoid unnecessary or confusing accounting changes.

TITLE V—RESERVE FORCES

Background on Reserve Personnel Authorization

Congress is required by law (Public Law 90–168) to authorize annually the average personnel strengths of the Selected Reserves (reservists organized in units) of each Reserve component of the Armed Forces. Therefore, Congress must specify the desired force levels for major portions of the Reserve establishment. This year the Subcommittee on Manpower and Personnel held six hearings in open session to hear testimony from Defense Department manpower experts and outside witnesses on the Selected Reserve average strengths requested by the Department of Defense for fiscal year 1983. Based on this hearing record, the Military Manpower Requirements Report and the Military Manpower Training Report for fiscal year 1983 submitted by the Department of Defense and other information provided to the committee, a thorough review and analysis of Reserve manpower requirements has been completed. The committee's recommendations are reflected below.

Selected Reserve Manpower Strengths

The committee recommends that the requested levels for Selected Reserve manpower in all Reserve components be approved. Selected Reserve strengths are programed to increase by 101,000 in fiscal year 1983 over the fiscal year 1981 levels and by 54,000 over fiscal year 1982 levels. In the Naval Reserve, approximately 11,800 of the increase over fiscal year 1982 represents an accounting transfer of Training and Administration of Reserves personnel from the active Navy. The recommended strength levels provide increases in all components except the Coast Guard Reserve. These increases reflect improved retention and a vigorous Selected Reserve recruiting program. The committee's recommendations are as follows:

SELECTED RESERVE PERSONNEL

[Average strengths in thousands]

	Authorized levels, fiscal year 1982	Request, fiscal year 1983	Committee recommendation, fiscal year 1983	Change from request
Army National Guard	392.8	407.4	407.4	0
Army Reserve	235.3	258.7	258.7	0
Naval Reserve	87.6	105.5	105.5	0
Marine Corps Reserve	37.6	38.3	38.3	0
Air National Guard	98.6	101.1	101.1	0
Air Force Reserve	62.8	66.0	66.0	0
Coast Guard Reserve	12.0	10.7	10.7	0
Total	926.7	987.7	987.7	0

Full-Time Reserve Manpower

The committee recommends that the requested levels for full-time Reserve personnel be approved. The committee's recommendations are as follows:

FULL-TIME RESERVE MANPOWER

[End strengths]

	Authorized levels, fiscal year 1982	Request, fiscal year 1983	Committee recommendation, fiscal year 1983	Change from request
Army National Guard	41, 439	14, 419	14, 419	0
Army Reserve	6, 285	8, 251	8, 251	0
Naval Reserve	208	12, 038	12, 038	0
Marine Corps Reserve	447	678	678	0
Air National Guard	3, 312	5, 158	5, 158	0
Air Force Reserve	701	479	479	0
Total	22, 392	41, 023	41, 023	0

The committee further recommends that the number of E–8's and E–9's who may be on active duty in support of the Reserve components during the period October 1, 1982, through September 30, 1983 shall be:

Grade	Army	Navy	Air Force	Marine Corps
E–9	265	156	132	6
E–8	1, 244	329	441	56

The committee also recommends that the number of Army, Air Force and Marine Corps Reserve officers in certain grades who may be on active duty in support of the Reserve components during the period October 1, 1982, through September 30, 1983, shall be:

Grade	Army	Air Force	Marine Corps
O–4	1, 351	281	95
O–5	671	267	40
O–6	234	170	21

Command Structure of the Army Reserve

The committee is concerned that the command of the U.S. Army Reserve (USAR) is not organized as efficiently as possible. In particular, several layers of command between the U.S. Army Forces Command Headquarters (FORSCOM) and the actual Reserve units unnecessarily lengthen and duplicate the chain-of-command.

The inefficiencies and even dangers inherent in the unwieldy Reserve command structure have been described by the General Accounting Office (GAO), the Office of Management and Budget, and the Office of the Secretary of Defense. For example, the GAO concluded in an April 25, 1979 report that:

> The Air Reserve structure is relatively efficient and viable. On the other hand, the Army Reserve component structure

contains duplicative and overlapping capabilities, is unable to move from a peacetime to a wartime configuration without significant structure modification, and has deficiencies in the mechanisms for developing mobilization plans.

The GAO recommended that the Secretary of Defense direct the streamlining of the Army Reserve management structure.

In response to the General Accounting Office report, the Deputy Assistant Secretary (Reserve Affairs) of the Army stated that "HQDA (Headquarters, Department of the Army) agrees with the necessity of streamlining of the RC (Reserve Component) management structure having recognized this need previously." However, the Army deferred the implementation of specific improvements until it had completed the Army Command and Control Study–82 (ACCS–82) which was underway at that time.

The committee is disappointed in the limited structural changes that have been made in the USAR command as a result of ACCS–82. None of the duplicative layers of intermediate command have been eliminated or even reduced in size. As a result, the Chief of the Army Reserve remains an administrative officer with very little direct control of USAR troop units.

In order to determine the direction that future legislation in this area should take, the committee requests the Secretary of the Army to address the following issues in a report to be provided to the committee by December 1, 1982:

(1) The differences between the Army Reserve and the Air Reserve that require such dramatically dissimilar command structures;

(2) An explanation of the continued need for the command structures represented by the three continental U.S. Armies (CONUSAs);

(3) The extent to which the assistance provided to Reserve units by purely administrative headquarters, like the Readiness Regions, is duplicated by that offered by the gaining commands to which Reserve units would be attached upon mobilization;

(4) The rationale for not eliminating the 19 Army Reserve Commands altogether, or at least replacing them with smaller, more efficient organizations; and

(5) The justification for maintaining responsibility for Reserve personnel management in the office of the Deputy Chief of Staff for Personnel rather than in the office of the Chief of the Army Reserve.

The committee believes that removing the excessive layering that exists in the USAR chain-of-command would result not only in improved management but in millions of dollars in cost savings as well. Such savings could be applied toward the procurement of the equipment that the Army Reserve so desperately needs.

TITLE VI—CIVILIAN PERSONNEL

Background on Civilian Personnel Authorization

Congress is required to authorize the civilian personnel end strengths requested by the Department of Defense. This requirement affords the Congress the opportunity to oversee the entire defense manpower program and the interrelationship of each component in the Total Force structure.

The Manpower and Personnel Subcommittee held six hearings to receive testimony on the civilian personnel strengths requested by the Department of Defense for fiscal year 1983. Based upon these hearings, numerous briefings by Defense Department manpower experts, annual reports and other available data, the committee has conducted a thorough review of civilian personnel requirements.

Categories of Civilians Included in the Bill

The civilian end strength figures authorized by Congress represent direct and indirect hire employees, both permanent and temporary, including full-time, part-time and intermittent employees paid from appropriated funds, who are employed to perform military functions administered by the Department of Defense. Indirect hire employees are hired by the host nation in support of U.S. forces stationed abroad. They are estimated to be approximately 88,500 in fiscal year 1983. The following categories of civilian employees are excluded from the strengths recommended:

(1) Employees performing civilian functions administered by the Department of Defense, the largest of which is the Corps of Engineers Civil-Works activities. For fiscal year 1983, the end strength for this function is approximately 33,000.

(2) Employees in special employment programs for students and disadvantaged youths, such as the stay-in-school campaign and the temporary summer aid program. The end strength for this program is approximately 8,500.

(3) Employees of the National Security Agency who are excluded because employment statistics are classified information.

(4) Employees paid from nonappropriated funds are not included. The approximate number of such employees is 185,000 for fiscal year 1983.

Committee Considerations

The Department of Defense has requested a civilian manpower end strength of 1,035,500. This represents an increase of 11,000 from the level authorized for fiscal year 1982. The following table shows the Department of Defense request for civilian personnel by major mission categories:

DEFENSE DEPARTMENT CIVILIAN MANPOWER REQUEST, FISCAL YEAR 1983

[Direct and indirect hire end strengths in thousands]

	Fiscal year—				
	1964 actual [1]	1980 actual	1981 actual	1982 request	1983 request
Strategic	15	10	11	10	10
Tactical/mobility	67	57	58	60	60
Land forces	30	23	22	23	23
Tactical Air Forces	7	14	15	16	16
Naval forces	(2)	1	1	1	1
Mobility forces	29	19	20	20	20
Auxiliary activities	123	95	92	92	93
Intelligence	11	7	7	7	8
Communications	14	10	11	11	11
Research and development	87	68	64	64	64
Geophysical activities	12	10	10	10	11
Support activities	971	829	859	872	873
Base operating support	357	342	350	355	345
Medical support	32	20	21	21	21
Personnel support	6	20	21	23	23
Training	25	26	26	27	27
Central logistics	451	334	350	352	361
Centralized support activities	34	53	55	57	58
Management headquarters	65	35	36	38	38
Total Defense Department: [3]	1,175	990	1,020	1,034	1,036
Army	452	361	372	383	386
Navy	328	289	301	299	300
Marine Corps	19	20	20	20	21
Air Force	338	244	246	247	243
Defense agencies	38	77	80	84	86

[1] Includes civilian reserve technicians not on the Federal payroll in 1964.
[2] Under 500 personnel.
[3] Subtotals may not add to totals due to rounding.

Committee Recommendations

For the reasons discussed below, the committee recommends reductions totaling 11,000 from the requested Department of Defense civilian strength for fiscal year 1983. The committee recommendations for each military service are set forth below:

CIVILIAN PERSONNEL

[End strengths in thousands]

	Authorized levels, fiscal year 1982	Request, fiscal year 1983	Committee recommendation, fiscal year 1983	Change from request
Army	381.3	386.4	378.0	−8.4
Navy/Marine Corps	313.0	320.6	320.6	0
Air Force	247.4	242.8	242.8	0
Defense agencies	82.8	85.6	83.0	−2.6
Total [1]	1,024.5	1,035.5	1,024.4	−11.0

[1] Subtotals may not add to totals due to rounding.

Army Civilian Manpower

The fiscal year 1982 civilian strength of the Army was authorized at 381,300. In fiscal year 1983 the Army has requested a civilian end

strength of 386,400. The Army has proposed this increase in order to continue the initiatives of the fiscal year 1982 program, such as increased support for force modernization, improvements in military construction support and initiation of a civilian substitution program.

For fiscal years 1981 and 1982, the Congress authorized the Army to hire 16,800 additional civilians. In requesting the increase, the Army indicated that the additional civilians would allow it to return soldiers to combat units—an action the Army indicated was needed to improve combat readiness, training capability, and unit cohesion.

The General Accounting Office (GAO) recently conducted an investigation into how the Army has gone about implementing the program to replace such borrowed military manpower (BMM). The committee is very concerned about the implications of the information GAO gathered which indicates that: (1) the Army's justification was based not only on civilian requirements to replace borrowed military manpower but also on troop diversions, which is work generally done by military personnel; (2) the negative impact on readiness which was presented by the Army as justification for the additional civilians was largely subjective and perhaps even unfounded; (3) the Army has allocated the new civilian spaces to major commands and units mostly on a first-come/first-serve basis as opposed to prioritizing specific needs; (4) some of the new civilians are being used to perform functions for which no recognized requirement and/or manpower authorizations existed at the time the Army provided its justification; and (5) commanders had generally selected military personnel for BMM duties who were likely to have the least impact on readiness.

The committee is aware that a substantial number of military personnel are being returned to units as a result of the additional civilian authorizations, but is not satisfied by the Army's initial justification or its subsequent actions in not allocating the additional spaces on the basis of critical priorities.

Consequently, because of the questions that have been raised by this report and the unresolved issue as to whether 3,000 of the 16,800 additional civilians can be hired due to direct and indirect hire limitations, the committee directs that the Army's civilian end strength request for fiscal year 1983 be reduced by 8,400 positions.

Further, in order to provide the committee with the basis for determining in the fiscal year 1984 budget process whether the current civilian employment levels in the Army should be maintained or reduced to the fiscal year 1981 level, the Army should provide the committee with specific documentary evidence of why the additional civilians were needed, the associated costs, and the negative impact which would have resulted if the additional civilians were not authorized.

Navy/Marine Corps Civilian Manpower

The Navy/Marine Corps civilian end strength request for fiscal year 1983 of 320,600 reflects an increase of 7,600 from the authorized level of 313,000 for fiscal year 1982. The committee recommends approval of this level.

The currently projected fiscal year 1982 civilian end strength for the Department of the Navy is approximately 6,200 above the request contained in the fiscal year 1982 President's budget. Of this difference, approximately 5,700 is the result of delays in executing contracting out initiatives which have now been deferred to fiscal year 1983. The fiscal year 1983 request reflects a small net increase of about 1,400 positions which encompass significant programmatic increases in readiness programs as offset by economies and efficiencies.

The major programmatic end strength increases prior to adjustment for economies and efficiencies include 5,000 positions for shipyards to allow the Navy to reduce overhaul deferrals, 900 for air rework facilities to essentially eliminate the backlog of aircraft maintenance, 1,700 for supply systems modernization and improvement, 500 for ordnance activities for improved weapons readiness, 1,200 for expanded Marine Corps readiness/sustainability support consistent with the Fleet Marine Force structure, and 1,645 in areas such as industrial research, conversion and repair offices and investigative activities.

The committee supports the Navy's contracting-out program for fiscal year 1983 and recommends continued emphasis in this area. The committee is concerned, however, with the delays that the Navy has experienced in recent years in completing cost studies utilizing the Office of Management and Budget Circular A–76 procedures. In view of these problems, it appears that the Navy's fiscal year 1983 program is overly ambitious and may not be completed. The Navy is requested to advise the committee once each quarter during fiscal year 1983 on the progress achieved in converting the planned 7,600 positions to contract.

Air Force Civilian Manpower

The Air Force request for fiscal year 1983 of 242,800 civilians represents a decrease of 4,600 from the fiscal year 1982 authorized level. The committee recommends approval of the requested level.

In fiscal year 1983, the Air Force continues to pursue a vigorous contracting-out program. The planned conversions from in-house to contract performance of commercial activities account for most of the decrease in the Air Force civilian end strength. Additional reductions have been levied on the Air Force by the Office of the Secretary of Defense in order to meet civilian end strength constraints.

Defense Agencies Civilian Manpower

The Defense Department has requested a civilian end strength of 85,600 for the Defense Agencies in fiscal year 1983. This request represents an increase of 2,800 over the fiscal year 1982 authorization.

The committee recommends a reduction of 2,600 in the requested level. Moreover, it directs the Defense Agencies to pursue a contracting-out program with the same intensity required of the services. Only 2 percent of the total civilian work force with the Defense Agencies is under contract whereas 23 percent of the Air Force, 17 percent of the Navy, and 12 percent of the Army work forces are contract civilians. Because most Defense Agency positions do not deploy, remain in a stable location and perform commercial activity-type work, additional functions should be considered and studied for possible contracting.

Authority to Exceed Civilian End Strength

The committee recommends renewal of the authority of the Secretary of Defense to exceed the total civilian end strength by 2 percent when in the national interest or if any anticipated conversions in fiscal year 1983 of commercial and industrial-type activities are deemed to be inappropriate.

TITLE VII—MILITARY TRAINING STUDENT LOADS

Background on Military Training Student Loads Authorization

Congress is required by law (Public Law 92–436) to authorize annually the average military training student loads. Training "loads" represent the average number of military personnel attending formal military training courses on any given day during the year. These loads do not include training conducted in the field or in combat units where personnel train as crews or units. Included are the following types of training:

(1) Recruit training includes all basic initial enlisted training for all services for both active and reserve components. In all services, it represents an introduction of the new enlisted man or woman into military life.

(2) Officer acquisition training includes training programs through which officers are procured, such as the Service Military Academies, the Reserve Officers Training Corps, Officer Candidate Schools and Enlisted Commissioning programs.

(3) Specialized training provides both officer and enlisted personnel with the skills and knowledge necessary to perform specific jobs or to operate or maintain specific pieces of equipment.

(4) The Army's One Station Unit Training (OSUT) program combines recruit training and initial skill training for certain skills into a single continuous course.

(5) Flight training provides the basic undergraduate flying skills for pilots, navigators and Naval Flight Officers. This category does not include the major formal advanced combat training programs which are beyond the scope of this authorization since they are conducted by and for operational units. However, some flight-related skills, such as the Air Force navigator, bombardier, and electronic warfare officer, are included.

(6) Professional training includes military education, graduate education, degree completion education and professional development courses not leading to a degree. This training is accomplished at both military and civilian institutions and includes: Senior Service Schools, Staff Colleges, advanced degree programs, Department of Defense schools such as the Defense Systems Management School and enlisted leadership training.

Committee Recommendations

The committee recommends approval of the military training student loads as requested by the Department of Defense. The Secretary of Defense shall adjust these training loads for the Army, Navy, Marine Corps, Air Force and Reserve components so that they are consistent

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with the manpower strengths authorized in Titles IV, V and VI of this bill. The committee's recommendation is as follows:

MILITARY TRAINING STUDENT LOADS, FISCAL YEAR 1983, BY COMPONENT AND MAJOR TRAINING CATEGORY

	Recruit training	1-station unit training	Officer acquisition training	Specialized skill training	Flight training	Professional development education	Total
Active Forces:							
Army	10,681	18,194	4,747	40,729	1,375	2,585	78,311
Navy	15,304	----------	6,915	40,911	1,752	2,048	66,930
Marine Corps	9,526	----------	340	9,224	680	665	20,435
Air Force	8,827	----------	6,452	26,331	3,216	3,943	48,769
Subtotal	44,338	18,194	18,454	117,195	7,023	9,241	214,445
Reserve components:							
Army National Guard	3,835	8,285	44	5,660	175	53	18,052
Army Reserve	4,529	2,783	7	7,086	97	77	14,579
Naval Reserve	310	----------	34	644	----------	12	1,000
Marine Corps Reserve	1,846	----------	293	818	----------	14	2,971
Air National Guard	804	----------	----------	1,209	272	43	2,328
Air Force Reserve	397	----------	29	779	89	57	1,351
Subtotal	11,721	11,068	407	16,196	633	256	40,281
Total	56,059	29,262	18,861	133,391	7,656	9,497	254,726

Army One Station Unit Training

For a number of years the committee has had a strong interest in the Army's One Station Unit Training program. Beginning in fiscal year 1979, the Army combined Recruit Training and Initial Skill Training for certain combat skills into a single continuous course conducted by a single training unit at one location. The savings in manpower, travel time, and training costs have been significant. In fiscal year 1983 the Army expects to train 18,194 active Army recruits, 8,285 Army National Guard recruits, and 2,783 Army Reserve recruits in One Station Unit Training at seven different training bases.

Beginning in fiscal year 1979, the annual Defense Authorization Act included a specific authorization floor for the Army's One Station Unit Training program in addition to the overall authorization for the Army's military student training load contained in Title VI of the Act. For fiscal year 1983, the committee is not including a specific authorization for the student loads for One Station Unit Training. However, the committee expects to be notified by letter from the Secretary of the Army if the Army's training loads for One Station Unit Training for the Active Army, the Army National Guard, or the Army Reserve drop 10 percent below the levels contained in the fiscal year 1983 budget. This notification should include the specific reasons for any decline in student training loads for One Station Unit Training below the budgeted level.

TITLE VIII—ATTACK RELATED CIVIL DEFENSE

Civil Defense

The administration's fiscal year 1983 request for attack-related civil defense preparedness represents an increase in real terms of over 80 percent compared to the fiscal year 1982 submission. The $252.34 million sought in fiscal year 1983 is intended to be the first installment on a 7-year build-up of the U.S. capability to provide for the protection of the civilian population and its leadership estimated to cost $4 billion.

The committee recommends a reduction without prejudice of $107.8 million in the request for attack-related civil defense. At the proposed funding level, $144.53 million, the civil defense program would experience 5 percent real growth over the levels appropriated in fiscal year 1982.

The committee believes that in a time of great demands on limited Federal budgetary resources, the massive increase in civil defense expenditures proposed by the administration cannot be justified. While the committee appreciates the disparity between Soviet and U.S. investment in this area, and feels there may be grounds for concern that, should the U.S.S.R. develop a truly effective and comprehensive protection system for its people, strategic stability could be jeopardized, the committee is persuaded that other, competing requirements have a higher priority for these funds at this time.

The committee intends to consider carefully in the months ahead the program advocated by the administration and is open to the possibility of increasing the fiscal year 1984 civil defense program if it can be satisfied that the proposed initiatives are sound and cost-effective.

The administration requested legislative authority to increase the limitation on contributions that can be made for emergency management assistance (formerly known as personnel and administrative expenses). Last year, the Congress agreed to increase the ceiling of $40 million imposed by section 408 of the Federal Civil Defense Act of 1950 to $47 million. The committee recommends that this section of 50 U.S.C. App. 2260 be further amended to provide for a new limitation of $50 million on emergency management assistance contributions.

TITLE IX—FISCAL YEAR 1982 DEPARTMENT OF DEFENSE SUPPLEMENTAL AUTHORIZATION REQUEST

The administration requested $1,451.8 million in supplemental authorization for fiscal year 1982. The committee recommends authorization of $830.5 million, a net reduction of $621.3 million from the request.

A summary of the committee's recommendations is set forth in the following table:

FISCAL YEAR 1982 DOD SUPPLEMENTAL AUTHORIZATION REQUEST—SUMMARY OF FUNDS RECOMMENDED FOR AUTHORIZATION

[Dollar amounts in thousands; years are fiscal years]

	1982 supplemental request	Committee	
		Change from request	Recommendation
Procurement:			
Aircraft, Air Force	$219,100		$219,100
KC–10A tanker/cargo aircraft	115,000	+5,000	120,000
KC–10A spares and repair parts	5,000	−5,000	0
C–5B aircraft	99,100		99,100
Missiles, Air Force:			
Classified programs	0	+5,300	5,300
Naval Vessels	263,400		263,400
CG–47 Aegis cruiser	80,000		80,000
TAO fleet oiler	58,000		58,000
MCM mine countermeasures ship	19,000		19,000
Trident nuclear submarine	106,400		106,400
Tracked combat vehicles, Army:			
M–1 tank surge capability	126,000	−126,000	0
Research, development, test, and evaluation:			
Air Force	57,000	−40,600	16,400
Advanced ballistic reentry vehicle	57,000	−57,000	0
Classified programs	0	+16,400	16,400
Operation and maintenance	786,300	−460,000	326,300
Army	365,200	−275,000	90,200
Navy (including Marine Corps)	254,600	−90,000	164,600
Air Force	105,300	−75,000	30,300
Defensewide activities	61,200	−20,000	41,200
Total procurement, R.D.T. & E., and operation and maintenance	1,451,800	−621,300	830,500

The following reflects some of the more significant recommendations made by the committee on the fiscal year 1982 DOD supplemental request:

PROCUREMENT

Air Force, Aircraft

KC–10A.—The supplemental authorization request for fiscal year 1982 includes $115.0 million for 2 additional KC–10A's and $5.0 mil-

lion for initial spares. Since submission of the supplemental authorization request for fiscal year 1982, the Department of Defense has developed, but has not yet submitted a multiyear procurement request for 44 KC–10A's. The multiyear procurement plan envisions use of the $120.0 million for the KC–10A program as advance procurement funding.

For fiscal year 1982, the Congress has already appropriated $220.2 million for 6 KC–10A's and $22.2 million for initial spares.

The committee supports the KC–10A program and the multiyear procurement approach for KC–10A's. Accordingly, the committee recommends supplemental authorization of $120.0 million for KC–10A advance procurement.

C–5B.—The supplemental authorization request for fiscal year 1982 includes $99.1 million in advance procurement funds for the C–5B program. The Department of Defense also seeks to reprogram $170.9 million of airlift procurement funds appropriated in fiscal years 1980, 1981, and 1982 for use as C–5B advance procurement. From these sources, the Department of Defense plans a total advance procurement for the C–5B program of $270.0 million.

The reprograming actions would affect the $50.0 million appropriated in fiscal year 1982 for procurement of commercial widebody aircraft and $120.9 million from the Civil Reserve Air Fleet (CRAF) Enhancement Program ($36.1 million in fiscal year 1980; $37.1 million in fiscal year 1981; and $47.7 million in fiscal year 1982).

The committee continues to strongly support the CRAF Enhancement Program which is the most cost-effective means of acquiring additional cargo airlift. However, given the Air Force's inability to properly structure the program, the airline industry has not been able to submit viable proposals. In the absence of near-term prospects for use of CRAF Enhancement Program funds, the committee agrees to their diversion to the C–5B program. This should not be seen as a dimunition of the committee's support for the CRAF Enhancement Program. The Air Force should direct its attention to ensuring that the full potential of the CRAF Enhancement Program can be realized.

Given the funding needs of the C–5B program, the committee also agrees with the reprograming of funds appropriated for procurement of commercial widebody aircraft.

To complete funding of the C–5B program in fiscal year 1982, the committee recommends supplemental authorization of $99.1 million.

Navy, Shipbuilding and Conversion

SCN.—The fiscal year 1982 supplemental request of $157 million for shipbuilding and conversion includes $80.0 million required to competitively select a second-source builder for the CG–47 AEGIS cruiser, $58.0 million to support an estimated increase in the cost of construction of fiscal year 1982 TAO Fleet Oiler, and $19.0 million for the repricing of electronics for the fiscal year 1982 mine countermeasures ship. The committee recognizes the importance of timely availability of the $80 million required to competitively select a second-source builder for the CG–47 and strongly encourages the Navy to seek congressional approval to reprogram funds if there is significant delay in receiving the supplemental funding.

The committee recommends the authorization of $157 million as requested.

Army, Weapons and Tracked Combat Vehicles

M–1 Surge.—The committee recommends deletion of the administration's request for $126 million to reduce the production surge time of the M1 tank. These funds were intended for the procurement of engines and fire control systems which are the production pacing items for the tank. This effort would reduce from 23 months to 11 months the time required to increase the M1 tank production (from 90 per month to 150 per month).

The committee believes that in the event of a conflict, $126 million will be better spent on fuel, ammunition and spare parts rather than accelerated tank production.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

Air Force

Advanced Ballistic Reentry Vehicle.—The request for funds to develop a reentry vehicle for the MX are found in the MX R. & D. line. A total of $362 million in fiscal year 1983 was sought by the administration for development of the Advanced Ballistic Reentry Vehicle (ABRV) system. An additional $57 million was requested as part of the fiscal year 1982 supplemental.

The Advanced Ballistic Reentry Vehicle has been selected as the reentry vehicle for the MX missile. Greater accuracy, a capability for increased yield or reduced special nuclear materials requirements and safety features prompted the administration to choose this weapon system over the baseline MK–12A currently being deployed on the Minuteman III ICBM.

The committee believes that the decision to proceed with the Advanced Ballistic Reentry Vehicle was an appropriate one when viewed from the national perspective, taking account of U.S. requirements for special nuclear materials and the desirability of maintaining a hedge against unanticipated degradation in MX accuracy performance. In light of the recommendation made by the committee that the interim program for the MX missile be canceled, and the Initial Operational Capability for the MX be delayed until the earliest time it may be deployed in a survivable mode, the committee believes that the requirement for an accelerated development effort on the ABRV has been reduced.

Consequently, the committee recommends denial of the $57 million requested in the fiscal year 1982 supplemental. The committee has also recommended a reduction of $22 million in the requested funds sought for ABRV development in fiscal year 1983 to make that research and development program consistent with the earliest possible IOC of a survivably-based MX.

One benefit from easing the tight development schedule planned for this reentry system is that competition can be introduced into the development of the ABRV. DOD has demonstrated under the MK–12A retrofit program that the industrial base is enhanced and program costs reduced through utilization of dual qualified sources for critical system components. It is the view of the committee that the develop-

ment of dual-qualified sources for ABRV components such as the nose-tip will likewise enhance the U.S. industrial base for these components and reduce ABRV program costs. Accordingly, the committee directs that competitive approach to development of the ABRV be undertaken and strongly recommends that the U.S. Air Force utilize dual sources, wherever possible, for critical ABRV components throughout the Full Scale Engineering and Development Program and subsequent procurement.

OPERATION AND MAINTENANCE

The administration requested $786,300,000 for supplemental authorization in fiscal year 1982 The request is based on estimated losses to inflation in fiscal year 1981 which could be applied to outstanding requirements in fiscal year 1982, and on legislative changes made outside the defense budgeting process which increase the obligations and costs of the Department of Defense.

The committee made the following recommendations:

Army

The committee recommends approval of $90,200,000 as requested by the Army for the following purposes: $2.2 million for postal rate increase; $16.2 million for health benefits; $3.4 million for public health hospitals; $12.5 million for POMCUS sets five and six; $3.6 million for the veterans educational assistance program; $25.5 million for unemployment compensation; and $3.8 million for per diem equity; and $23 million for force structure support in Europe.

In addition, the committee recommends disapproval of the request of $275 million for real property maintenance.

Navy and Marine Corps

For the Navy the committee recommends approval of the $164,600,000 requested for the following purposes: $52 million for utilities; $2.3 million for postal rates; $14.3 million for health benefits; $3.3 million for public health hospitals; $5.1 million for the veterans educational assistance program; $11.5 million for unemployment compensation; $7.2 million for per diem equity; and $58.6 million for the LEASAT program. However, the committee recommends disapproval of the request of $75 million for real property maintenance.

For the Marine Corps, the committee recommends authorization of $.8 million for postal rate increases; $.9 million for health benefits; $1.5 million for veterans educational assistance program; $3.5 million for unemployment compensation; and $3.6 million for per diem equity. However, the committee recommends disapproval of the request of $15 million for real property maintenance.

Air Force

The committee recommends approval of the $30,300,000 requested by the Air Force for the following purposes: $1.7 million for postal rate increases; $10.2 million for health benefits; $1.4 million for public health hospitals; $.6 million for the veterans educational assistance program; $11 million for unemployment compensation; and $5.4 million for per diem equity.

The committee recommends disapproval of the Air Force request of $75 million for real property maintenance.

Defense Agencies/Defense-Wide

The committee recommends approval of $41,200,000 for the following purposes: $1.1 million for postal rate increases; $9 million for health benefits; $18 million for intelligence programs; $11 million for section six schools; and $2.1 million for unemployment compensation.

The committee recommends disapproval of the request of $20 million for real property maintenance.

MANPOWER

Army

The Army requested an active-duty end strength increase of 4,100 for fiscal year 1982. Approval of this supplemental proposal would result in a new Army authorized level of 784,400 for fiscal year 1982. This adjustment will permit the Army to take advantage of recent recruiting and retention success in order to stabilize its current force structure. The committee recommends approval of this request.

TITLE X—ADDITIONAL FISCAL YEAR 1982 AUTHORIZATION

The Department of Defense Appropriations Act, 1982 (Public Law 97–114) contained funding for various programs in amounts which exceeded the amounts authorized for appropriations in the Department of Defense Authorization Act, 1982 (Public Law 97–86).

The committee recommends the additional authorization in fiscal year 1982 for the programs listed below that were among those for which funds were appropriated in the Department of Defense Appropriation Act, 1982, but for which funds were not "authorized" for appropriations.

[Dollar amounts in millions]

Program	Fiscal year 1982 authorization		Fiscal year 1982 appropriation		Excess over authorization		Committee recommended additional fiscal year 1982 authorization	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
NAVY								
Procurement:								
TAKRX class fast logistics ships conversion	2	$184.0	4	$307.6	+2	+$123.6	+2	+$123.6
R.D.T. & E.:								
Submarine tactical warfare system		49.64		98.609		+48.969		+48.969
AIM–7M test and evaluation		0		5.0		+5.0		+5.0
AIR FORCE								
Procurement:								
B–52 modifications		438.4		500.5		+62.1		+62.1
KC–135 reengining (JT3D)		0		56.0		+56.0		+56.0
DSP advance buy		230.2		242.2		+12.0		+12.0
Thrust computing system		0		9.0		+9.0		+9.0
F–4/RF–4 modifications		118.4		125.5		+7.1		+7.1
R.D.T. & E.:								
MX missile		1,875.2		1,913.2		+38.0		+38.0
Space defense system		180.9		200.9		+20.0		+20.0
Very high speed integrated circuits		40.7		55.7		+15.0		+15.0
AIR NATIONAL GUARD								
Procurement:								
UV–18 Twin Otter	0	0	2	3.6	+2	+3.6	+2	+3.6

TITLE XI—GENERAL PROVISIONS

Sec. 1101. Special Defense Acquisition Fund

The Special Defense Acquisition Fund (SDAF) was established by the International Security and Development Cooperation Act, 1981 to finance the acquisition of defense articles and services in anticipation of their transfer to eligible foreign countries and international organizations. The funding ceiling for the SDAF was established in Title 10, Section 138, United States Code, and set at $300 million in fiscal year 1982 and $600 million in fiscal year 1983. The Department of Defense has requested that the ceiling for fiscal year 1984 be set at $900 million.

The SDAF would be capitalized by receipts from:

—Foreign Military Sales (FMS) from DOD stocks of defense articles not intended to be replaced;

—Asset use charges and charges for the proportionate recoupment of nonrecurring research, development, and production costs; and

—FMS sales or reimbursements due to grant aid transfer of defense articles and services acquired with SDAF funds.

The committee attaches substantial importance to the SDAF and recommends that this request be approved.

Although last year the Senate and House Appropriations Committees did not provide the authority to obligate funds from the SDAF, the committee hopes that this oversight will be corrected this year.

Because of the SDAF's impact on the readiness of U.S. forces and on the efficiency of the U.S. defense procurement program, the procurements made by the SDAF have important consequences for the work of the committee. Therefore, the committee directs that prior to the procurement of any defense articles with the moneys from the SDAF, the Department of Defense provide for the formal review by the Senate Committee on Armed Services of the systems planned for acquisition.

Sec. 1102. Increase in Dollar Amount for Reports to Congress on Sale or Transfer of Defense Articles

Section 813 of the Department of Defense Authorization Act for fiscal year 1976 requires advance notification to the Congress of proposed sales or other transfers from Department of Defense inventories or current production of defense articles valued at $25 million or more. This provides the Armed Services Committees with information to assess the impact of an arms transfer to a foreign state on the U.S. national defense. This requirement parallels the advance notice requirements of section 36(b) of the Arms Export Control Act enacted in 1976. Last year, the Congress doubled the reporting threshold in section 36(b) in order to reflect the increased costs of defense procurements. This provision would simply double the reporting threshold

under section 813 of the DOD Authorization Act for 1976, to make it consistent with section 36(b). The committee finds that maintaining different reporting thresholds in the respective laws would impair consistent administration and thus recommends approval of this provision.

Sec. 1103. Reports on the Unit Costs of Major Defense Systems

Last year the Congress approved, for fiscal year 1982, a mechanism to track the growth in the unit costs of the major defense systems included in the March 1981 Selected Acquisition Report. This mechanism requires reports to the Congress from the Service Secretary concerned or in some instances, the Secretary of Defense, when units grow beyond certain percentage thresholds over the prescribed baseline.

The committee remains seriously concerned about the continued escalation in the unit costs of some of our major defense systems. Both the Congress and the Department of Defense must be vigilant and resolute in their efforts to control unit cost growth and identify at an early stage major defense systems experiencing cost growth problems, otherwise public support for continued strengthening and modernization of our military forces with new weapon systems will be quickly eroded.

The committee believes that the cost tracking mechanism approved by the Congress last year is a reasonable and workable method of giving excessive unit cost growth the level of visibility and accountability that it deserves. Therefore, the committee recommends placing the requirement for the unit cost report system approved last year in permanent law. Several minor adjustments have been made in that system based on the experience with the initial round of reports and the recommendations of the Department of Defense.

Sec. 1104. Requirements Relating to Sole-Source Contract Awards

The committee adopted a provision requiring a 30-day public notice (with certain exceptions) prior to consummation by the Department of Defense of sole-source contracts involving amounts in excess of $100,000. The Senate approved a similar provision last year.

Defense procurement expenditures exceeded $88 billion in fiscal year 1981, $31.5 billion of which was through sole-source contract awards. This figure excludes sole-source contracts awarded as a follow-on to earlier price, design or technical competition. The committee continues to believe in the value of competition to produce needed savings for the Department of Defense. There have been a number of congressional and General Accounting Office (GAO) reports in recent years supportive of this general proposition.

The provision adopted by the committee does not duplicate or add any notice requirement not mandated by present law. The provision merely uses the existing statutory and regulatory framework—which already requires a 10-day notice in the Commerce Business Daily for every proposed advertised or negotiated contract over $10,000—to provide a more meaningful notice period for contracts over $100,000 planned to be negotiated on a sole-source basis. The committee believes the provision will enhance opportunities for injecting greater use of competition in connection with such contracts. Of course, the

committee in no way intends this provision to dilute or revoke existing regulatory provisions. Nor is anything in the provision intended to add to the qualifications required of potential bidders by present law and regulation. Moreover, the committee fully expects that existing review and approval requirements be stringently adhered to in the consideration of sole-source contract awards that fall within the scope of exceptions to the approval and publication requirements of this statutory provision.

It is the committee's intent that the Department continue to award sole-source contracts only to the extent that such contracts are the most practical method of contracting for the particular procurement item or service. The committee is aware that the Department of Defense must be permitted certain flexibility in its contracting procedures. The exceptions to the notice requirement included in the statute recognize this need for flexibility. At the same time, the provision recommended represents the committee's concern for promoting competition to the maximum extent possible. The Secretary of Defense should take appropriate action to insure that competition is obtained whenever reasonably possible during consideration of a sole-source contract negotiation.

The provision also requires a report from the Secretary of Defense by March 1 each year on sole-source contracts in excess of $100,000 entered into by each military department during the preceding fiscal year, including the number of such contracts exempt from the notice requirement and their total dollar amount.

Sec. 1105. Repeal of Prohibition on Purchase of Administrative Use Vehicles from Foreign Sources

Section 783 of the Department of Defense Appropriations Act for fiscal year 1982 (P.L. 97–114) states that, except for existing contracts less than $50,000, the Department of Defense cannot buy administration motor vehicles manufactured outside the United States or Canada except through competitive bidding and with no differential in favor of foreign manufacturers.

The European administrative use vehicle program was initiated with U.S. Allies in direct response to the objectives of the Culver-Nunn amendment contained in the 1976 DOD Authorization Act. Non-tactical vehicles of the type to be acquired from European allies are cost effective and are currently in use or are planned to come into use by other NATO nations. Military reasons for this program are sound. Improved combat effectiveness results when support vehicles can be exchanged with our allies during emergencies and serviced locally rather than being towed to U.S. maintenance depots. To require competition at this point in the program could impair the concept of standardization and interoperability.

While the currently programed U.S. vehicles to be purchased from the Federal Republic of Germany, the United Kingdom, and Italy amount to about $159 million through 1986 or $32 million per year, the equivalent of 768 U.S. jobs, the Department of Defense estimates the potential for German purchases alone of new defense projects from U.S. firms is between $565 million and $2.5 billion during the next 10 years. This represents 13,400 to 59,250 new jobs for U.S. workers in

defense industries. In addition, the Federal Republic of Germany has been spending an average of $540 million a year (13,000 jobs per year) on military hardware and services with the United States. Thus, provisions such as section 783 put at risk meaningful economic benefits for the United States.

The Department of Defense testified that they required urgent relief from section 783. Further, the Department of State testified that this provision had been very troubling to our allies and argued in favor of its repeal. The committee finds that section 783 adversely impacts on allied defense cooperation and places overall benefits at substantial risk for slight additional gains. The committee, therefore, recommends that section 783 of the DOD Appropriations Act for fiscal year 1982 (P.L. 97–114) be repealed.

Sec. 1106. Purchase of Chemical Warfare Protective Clothing and Items Containing Specialty Metals from Foreign Sources

Section 723 of the Department of Defense Appropriations Act for fiscal year 1982 (P.L. 97–114) reimposes a "Buy-American" restriction which prohibits the Department of Defense from procuring non-U.S. origin specialty metals, including stainless steel flatware, unless the Secretary of a Military Department determines that specialty metals of a satisfactory quality and sufficient quantity cannot be procured as and when needed at U.S. market prices. Although this restriction has its origin in the DOD Appropriations Act for fiscal year 1973, an exemption was granted in 1976 allowing DOD to buy foreign-made items for the purpose of offsetting U.S. sales or furthering NATO rationalization, standardization, and interoperability (RSI). This exemption was continued annually until the Department of Defense Appropriations Act for fiscal year 1982 reimposed the "Buy-American" restriction.

The committee does not view the central issue as one of economic loss or gain to the specialty metals industry, but rather one of political perception among the industries and governments of our allies. DOD used only 4 percent of the total specialty metals produced in 1980. Given this small percentage of DOD procurements of specialty metals and the fact that DOD buys very little equipment from countries to which the exemption would apply, it follows that the amount of sales that would be lost to the specialty metals industry as a consequence of the exception would be small.

On the other hand, the United States enjoys a tremendous advantage vis-a-vis the rest of the North Atlantic Alliance regarding the balance of trade in defense equipment. For instance, during 1976–80 the United States enjoyed a 6.3 to 1 advantage over its allies in the balance of defense procurement trade. It should be noted that the trend is upward and that in 1980 the United States had an advantage of 9.4 to 1. This provision puts this substantial benefit for the United States at risk for only marginal gain.

Section 723 gives evidence to those who say that U.S. efforts at Alliance cooperation are nothing more than an effort to sell U.S. arms by reimposing barriers to cooperation. With its removal of the NATO RSI exception the Congress has passed a signal to our allies that the United States is losing interest in the "two-way street" and the goals of the Culver-Nunn amendment.

Both the Departments of State and Defense testified for the need of urgent action to place the exception into law. The committee finds that without the exception the United States is impeding allied defense cooperation and putting at risk sizable economic gains for the United States. Therefore, the committee recommends that section 723 of the DOD Appropriations Act for fiscal year 1982 be amended to allow DOD to buy foreign made specialty metals or chemical warfare protective clothing for the purpose of offsetting U.S. sales or furthering NATO rationalization, standardization, and interoperability.

Sec. 1107. Prohibiting the Consolidation of Military Transportation Commands

The Department of Defense is considering consolidation of at least two and possibly all three of the military transportation commands: the Navy's Military Sealift Command, the Army's Military Traffic Management Command, and the Air Force's Military Airlift Command.

The committee is concerned that partial or full consolidation of these commands may lessen the important integration of the programs of these commands with their parent Service and may weaken the ability of these commands to provide direct support to operating units.

The committee is particularly concerned about any proposed changes affecting the Military Sealift Command. Beyond its sealift mission, the Military Sealift Command operates or supervises the operation of ships that directly support strategic and general purpose naval forces and conduct part of the Navy's research and development effort. A management structure that would place the Military Sealift Command outside of the Department of the Navy may hinder effective execution of these missions.

Accordingly, the committee has recommended bill language that will prohibit consolidation of any of the functions currently being performed by the Military Sealift Command. the Military Traffic Management Command, and the Military Airlift Command. In addition, the Secretary of Defense is requested to submit to the Committees on Armed Services of the Senate and House of Representatives a report on the various management and cost issues associated with consolidation of any of the functions of these commands that is being contemplated.

Sec. 1108. Report on Allied Contributions to the Common Defense

As required by the Defense Authorization Acts for fiscal years 1981 and 1982, the Secretary of Defense has submitted to the Congress annual reports addressing the issues of allied contributions to Western defense, real growth in defense spending, and implementation of common defense commitments by NATO member nations and Japan.

The committee found the reports most useful in terms of their compilation and analysis of all factors that must be assessed in determining to what extent NATO nations and Japan have assumed fair and equitable shares of the mutual defense burden.

The committee received testimony from the Departments of State and Defense regarding allied contributions to Western defense. This testimony, taken together with the Secretary's report, leaves the committee dissatisfied with the progress that has been made toward a more

appropriate sharing of the common defense burden. Although some countries are trying to do their part, some have not borne as much of the common burden of which they are capable.

The committee recommends that the Secretary of Defense be required to submit a third annual report, in both classified and unclassified form, on allied contributions to the common defense similar to the last two reports. The classified report should be submitted to the Congress by March 1, 1983 with the unclassified version to follow within 30 days of the submission of the classified report.

The committee also recommends that the Secretary of Defense provide within this report a description of the activities of our allies to enhance the security of the Southwest Asia region and/or to assume more of the responsibilities for their own defense as the United States allocates additional resources to the mission of protecting Western interests in world areas not covered by the system of Western alliances.

In addition, the committee recommends bill language that was contained in the fiscal year 1981 Act, but was dropped in the fiscal year 1982 Act, expressing the sense of Congress that the NATO allies and Japan should increase their contributions to the common defense to levels more commensurate with their economic resources. Also included is bill language calling on the President to seek from those allies greater acceptance of international security responsibilities and greater contributions to the common defense including, where appropriate, greater contributions to host nation support.

Sec. 1109. Report on Critical Skill Needs and Supplies

The committee has taken note of public reports and testimony before congressional committees concerning potential shortages in critical civilian work force skills needed to carry out the administration's planned 5-year defense programs. Such skill shortages also could occur during a mobilization period.

However the committee believes that a firm data base needs to be established concerning the scope and size of such potential shortages before considering possible remedies for the shortfall. Therefore, the committee adopted a provision requiring the Secretary of Defense, in conjunction with the Secretary of Labor, to conduct a study of the level of skilled labor needed and available in the civilian work force to accomplish the programs planned by the Department of Defense during the period fiscal year 1983 through fiscal year 1987 and during a mobilization period. The Secretary of Defense is required to submit this report to the Committees on Armed Services of the Senate and the House of Representatives by February 15, 1983.

Sec. 1110. Technology Transfer Control Programs

The Department of Defense has an important role in the formulation and implementation of national policies and procedures to control the transfer and loss of strategic technology. In addition, the Department of Defense has played an increasingly active role in furthering the development of effective international cooperation through multi- and bilateral undertakings.

Notwithstanding these significant responsibilities, it is apparent that DOD's technology transfer control programs lack adequate resources, permanently assigned personnel, and sustained, high-level

policy supervision. At present, various components of DOD share responsibility for these activities, including the Office of the Under Secretary for Policy, the Office of the Under Secretary for Research and Engineering, and each of the Military Services. Because none of these has established a separate, identified budget program element, it is extremely difficult for either the Secretary of Defense or the Congress to evaluate accurately the policy formulation and related program activities of the Department of Defense concerning technology transfer control. In this connection, in 1980, the Senate Committee on Appropriations directed the Department to provide a separate line item in the fiscal year 1982 defense budget request which would identify its overall activities in this area. (See Report No. 96–1020 on the Department of Defense Appropriations Bill, 1981, page 179.) Unfortunately, DOD has failed to do this.

To address these problems, section 1110 of this bill would direct the Secretary—(1) beginning with the budget authorization request for fiscal year 1984, to submit a written report to the Congress recommending the funds to be appropriated for his technology transfer control responsibilities, to include the proposed allocation of those funds and the number of personnel assigned; and (2) to submit to the Congress by December 31, 1982, a written report on the adequacy and efficacy of the policies and programs of DOD's technology transfer control activities and his recommendations for improvements, specifically to include his advice regarding the advisability of establishing an office or agency within OSD to provide overall policy direction and general management and coordination of these programs.

Sec. 1111. Report on Standardization and Interoperability of NATO Weapons and Equipment

The Department of Defense Appropriations Authorization Act, 1975 (88 Stat. 402; 10 U.S.C. 2451 note) requires the Secretary of Defense to submit an annual report to the Congress on standardization and interoperability of NATO weapons and equipment.

Presently, this report does not give a clear picture of the degree to which standardization and interoperability are actually taking place. This limitation is caused by the fact that the report identifies only weapons and equipment "under consideration" for development and procurement by one NATO member nation from systems originally developed or procured by another. It does not identify weapons and equipment currently being developed or procured by one NATO member nation from systems originally developed or procured by another.

To correct this limitation, the committee recommends bill language to amend section 302(c) of the Department of Defense Appropriation Act, 1975, to require that the report on standardization and interoperability of NATO weapons and equipment be expanded to identify existing and planned development and procurement programs by one NATO member nation from systems originally developed or procured by another. This reporting requirement would cover the fiscal year in which the report is submitted and, for U.S. efforts, each of the two following fiscal years.

The primary benefit of this amendment would be to clarify the importance that the United States and its NATO allies place on one

another's equipment programs to achieve common alliance goals. These international programs are important and need to be highlighted as does their role in the national defense budgets of NATO member states.

Sec. 1112. Administration of Schools on Military Installations by the Secretary of Defense

Section 6 of Public Law 81–874, passed by Congress in 1950, authorized the Commissioner of Education (now the Secretary of Education) to make payments or arrangements as necessary to insure that children of Federal dependents have access to a free public education. There are currently 18 section 6 schools located on military installations and run by Department of Defense employees, as well as five other arrangements with local school districts, three of which involve children of military personnel.

The Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35) gave the Department of Defense authority to fund these schools, but provided no funds for that purpose. Subsequently, $75 million was included in the fiscal year 1982 Department of Defense Appropriations Act. The President's current budget request contains an $11 million supplemental request for fiscal year 1982 and a request for $97 million for fiscal year 1983.

Section 6 schools currently educate over 30,000 dependents of military personnel. Any discontinuity in the operation of the schools could have a profound effect on the morale and readiness of those service members affected by a cutoff of funds. Therefore, the committee recommends that the Secretary of Defense have the sole responsibility to administer any funds authorized for payments and the conduct of programs authorized by section 505(c) of the Omnibus Budget Reconciliation Act of 1981.

Sec. 1113. General and Flag Officer Strengths

The Department of Defense has requested repeal of the ceiling of 1,073 general and flag officers that was imposed by the Congress in the fiscal year 1978 Defense Department Authorization Act. The ceiling was to have been effective October 1, 1980; however, at the request of the Department of Defense, the ceiling was deferred for 1 year by the fiscal year 1981 Department of Defense Authorization Act. In granting the deferral the committee requested that the Department of Defense take positive steps to control general and flag officer requirements by: (1) reallocating 24 general and flag officer positions among the services on other than a pro-rata basis; (2) proposing legislation that would repeal minimum grade requirements in law for general and flag officer positions; and (3) recommending a system for annual review and validation of 25 percent of its general and flag officer resources. During fiscal year 1981, the Department took actions to fulfill the first two requirements; however, comprehensive legislation on flag and general officers was not submitted to the committee. In its fiscal year 1982 authorization request, the Department requested that the reduction be repealed. The committee did not agree, so on October 1, 1981, a ceiling of 1,073 general and flag officers became effective.

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Since the beginning of the fiscal year, the Department has worked on comprehensive legislation which would establish: (1) A uniform system of accounting for general and flag officer requirements or utilization; (2) a rational methodology for determining general and flag officer ceilings based on structure, strength and nondirect mission categories; (3) a standardized system for annual review, validation, and reporting of 25 percent of general and flag officer resources annually; and (4) a more clearly defined structure for Departmental control over general and flag officer authorizations. On March 25, 1982, the Department submitted a legislative proposal to the committee.

After careful consideration of the Department's request, the committee recommends that the reduction not be repealed. The committee believes that it would be more appropriate to consider repeal of the reduction as part of its review of the comprehensive legislation. The Subcommittee on Manpower and Personnel will commence hearings on this subject during the current session.

Current law provides that fifteen percent of the total number of flag and general officers in an armed force may be of a rank of general, lieutenant general, admiral or vice admiral. Of this total number, 25 percent may be of the rank of general or admiral. The restrictions of this law have created senior management-level problems for the Navy. The Navy's flag officer base is smaller than that of the Army or Air Force; therefore, it has fewer three and four star officers. As a result, the Navy has been unable to fill stated Presidential requirements or to meet internal management needs.

The committee recognizes that the distribution of flag and general officer grades has been addressed in the legislative proposal submitted to the Congress on March 25, 1982. In order to provide the Navy with temporary relief to address its immediate management needs, the committee recommends that the 15 percent limitation on three and four star officers be increased to 17½ percent. However, the total number of Navy flag officers will remain at currently authorized levels. Authority for this percentage increase will terminate on October 1, 1983. During the interim period, the committee will consider the comprehensive flag and general officer legislation.

Sec. 1114. Contracting Out of Commercial and Industrial-Type Activities

Cost studies of commercial activities currently performed by Department of Defense personnel have demonstrated that significant savings can be achieved and military readiness improved as a consequence of the process, whether or not an activity is subsequently contracted. Efficient management of this program can enhance the potential for savings. The committee notes that the contracting out program contains safeguards to insure that functions required to be performed by in-house civilians for national security reasons are not identified as candidates for cost study comparisons.

Section 502 of the Department of Defense Authorization Act of 1981 made permanent law a provision in the fiscal year 1980 act which prohibited conversion to performance by private contractors of commercial or industrial-type activity (CITA) functions currently performed by Department of Defense personnel solely to circumvent personnel

ceilings. The section also imposed various reporting and certification requirements.

The committee believes that continued oversight of the commercial activities review process is necessary and recommends retention of the basic provisions of section 502. However, the requirement for detailed cost studies on all functions except those under $100,000 as required by OMB Circular A–76 as well as the detailed reporting requirements contained in section 502, may impede efficient management of this program. In addition to delaying the CITA review process, the cost of conducting detailed cost studies for small functions can reduce the potential savings.

Accordingly, the committee proposes revising section 502 to exclude functions currently staffed entirely by military personnel and to exclude functions involving fewer than 50 Department of Defense civilian employees. These exclusions will permit the Department of Defense to concentrate its management effort on conducting thorough reviews of larger commercial activities where the potential for identifying substantial savings through cost comparison studies are greatest. The committee directs that simplified cost comparisons be conducted on smaller functions to insure that cost data are fully considered in decisions on commercial activities. Furthermore, the committee recommends a prohibition on the reorganization or modification of a commercial or industrial type function in order to gain an exemption from reporting requirements under this provision.

The Department of Defense has requested that the section 502 requirements be suspended during a time of war or national emergency. The committee concurs with this request.

Sec. 1115. Military Recruiting Information

The quality of personnel that the military has been able to recruit in recent years has been the subject of much concern to the committee. Testimony of various Department of Defense and service officials before the Subcommittee on Manpower and Personnel indicates that high school graduates in the aggregate are much better able to adapt to military service than non-high school graduates. The attrition rate for non-high school graduates is nearly twice that for those who complete 4 years of high school education. For recruits accessing during 1978, the group that has most recently completed its first term, the attrition rate Department of Defense-wide for high school graduates was 23 percent, while the rate for recruits without a high school diploma was 41 percent.

The committee believes that voluntary cooperation between educational officials and recruiters is essential if our military forces are to attract a cross section of American youth into the All-Volunteer Force. Therefore, the committee recommends a provision that would authorize the Secretary of Defense to collect high school directory information for confidential use by military recruiters. The only information that can be compiled under this section is the student's name, address, telephone listing, date and place of birth, level of education, degrees received, and the most noteworthy recent previous educational agency or institution attended by the student. Recruiters consider these directories to be their single best source of potential

enlistees. The information collected can only be used for military recruiting purposes and cannot be maintained any longer than 3 years.

The committee would like to emphasize that this provision would not compel school authorities to cooperate with the Department of Defense. Instead it would simply clarify both the authority of recruiters to request directory information and the authority of educational officials to honor those requests if they should choose to do so.

In addition, this provision would establish a new section 520 of title 10, United States Code, which would provide authority for the Secretary concerned to request from State and local governments criminal history information related to individuals who make application for enlistment in the Armed Forces or to individuals who, in connection with an application for enlistment, also make application for participation in certain programs of the Armed Forces which require a determination of trustworthiness. The purpose of the new section 520 would be to encourage State and local governments to provide to the Armed Forces information concerning criminal activity which might be a bar to enlistment or a bar to participation in certain programs of the Armed Forces. The new section is not designed to enable the Armed Forces to have unlimited access to all State and local law enforcement records; however, the committee believes that the new section 520 will aid the Armed Forces in obtaining that type of criminal information which is vital in determining the fitness of individuals to enter the Armed Forces or to participate in special programs of the Armed Forces.

Therefore, the committee directs that the Secretaries concerned limit requests for information under new section 520 to reports of criminal activity which would be a bar to enlistment or which would prevent individuals who, in connection with an application for enlistment, have also applied for a program of the Armed Forces which requires a determination of trustworthiness from receiving any clearances necessary to participate in such a program.

Sec. 1116. Cooperative Military Airlift Agreements

The Department of Defense submitted a legislative proposal to amend Chapter 131 of Title 10, United States Code, to authorize the Secretary of Defense to enter into cooperative military airlift agreements with the governments of allied countries.

Current authority for entering into cooperative airlift agreements with allies is limited. The NATO Mutual Support Act of 1979 (10 U.S.C. 2321 et seq.) provides legislative authority for agreements to provide such "services", but only within Europe and adjacent waters. No authority is provided to enter into agreements for intertheater airlift cooperation or with allies other than NATO members.

The general provision on cooperative airlift agreements would expand authority to enter into agreements which are not geographically constrained and which include allies other than NATO member states. The provision defines "allied country" to mean all NATO countries, Australia, New Zealand, and other countries designated from time to time by the Secretary of Defense, with the concurrence of the Secretary of State.

The agreements which may be entered will provide for the reciprocal transportation of the personnel and cargo of the military forces of

one country on aircraft operated by or for the military forces of the other country on a full reimbursement basis.

The provision will cause no increase in the budgetary requirements of the Department of Defense. In fact, cost savings should result.

The provision will enhance peacetime support of both U.S. and allied military forces, promote allied interoperability, and improve utilization of resources.

Impact Aid Payments to Local School Districts

The impact aid program, at present managed by the Department of Education, is intended to compensate local school districts for the loss of revenues resulting from tax-free Federal property within their boundaries and to offset the cost of educating the children whose parents live or work on such property. Although the various impact aid programs were consolidated in 1950 under Public Law 81–874, Federal funding for military children has been provided for over 100 years.

Impact aid payments to localities have undergone drastic reductions from the fiscal year 1981 level of $642,390,000. The President's budget for fiscal year 1983 requests $283,880,000 (a reduction of 56 percent from fiscal year 1981), and transfers the program to the Department of Treasury. There is no provision in the budget request for payments for category "b" children (students whose parents work on Federal property but do not reside there), nor any provision for particularly heavily impacted areas.

Many school districts have reacted to these reductions by considering drastic actions, such as imposing tuition charges or excluding military dependents. At least three lawsuits have resulted, with others possible, as various States and local governments enact tuition charges for military or civilian dependents of Department of Defense employees. Of equal concern are those districts which react by closing schools, redistricting to exclude children of Defense department employees from public schools, canceling programs or decreasing staff with a resultant lowering of educational quality. Some particularly heavily impacted school districts with large numbers of dependents of DOD employees face financial disaster and may be forced to close their doors to all students.

The committee has been concerned with the impact of these reductions and threatened actions on the morale and readiness of our Armed Forces, and held a hearing last year to inquire into this extremely important matter. As a result of this hearing, committee members recommended the addition of $300 million to the impact and program for fiscal year 1982. The committee believes that the Federal Government has an obligation, both to its military members and to local school districts, to insure that adequate resources are available for quality education.

The committee is unconvinced that the administration has carefully considered the effect of these serious reductions on the readiness of our Armed Forces. The Secretary of Defense has stated that "he is determined that no soldier, sailor, airman or marine will have to pay for the free public education of his or her dependents", but he has no authority to make any sort of compensatory impact aid payments to school districts, nor has he sought such authority. It is therefore unclear how the Secretary of Defense plans to deliver on this assurance.

The committee feels that the Department of Defense has an obligation to both its service members and to the civilian community. Therefore, the committee directs the Secretary of Defense to report to the Congress the Department's plan for insuring the free public education of its military dependents, to include an explanation of why the Department of Defense should not be given the responsibility and funds for making impact aid payments to local school districts for the education of dependents of DOD employees.

Automatic Data Processing Equipment

One of the important legislative initiatives taken by the committee in its action on the fiscal year 1982 Defense authorization bill was the adoption of a provision aimed at streamlining the process whereby automatic data processing (ADP) equipment and services associated with several critical national security missions are procured.

The committee is pleased to note that the substance of this initiative is now embodied in P.L. 97–86. While it is too early to measure the practical consequences of this action in terms of ADP acquisitions taking place on an accelerated basis consistent with the importance of the missions with which these systems are associated, the committee is optimistic that positive effects of its action will become evident shortly.

Two steps must be taken, however, if the full benefit of the committee's legislative relief for the Department of Defense in this area is to be realized: First, all relevant aspects of those activities specifically exempted from the provisions and implementing regulations of P.L. 89–306 (the Brooks Act) must be removed from the procurement system established pursuant to that public law. The committee notes that the intention of the Congress in enacting Sec. 908 of P.L. 97–86 was that the critical defense missions identified therein should be wholly relieved of the barriers to efficient ADP procurement that have developed in the wake of the earlier statute. Procurements of automatic data processing equipment and services relating to activities so exempted should be pursued by the Department of Defense free from interference by non-DOD Federal agencies. Similarly, Congress intended that procurements made in support of such critical military missions, for example, specialized mission-related logistic support systems, be considered as exempted in the same manner as are the activities they support.

Second, the Department must make substantial progress in streamlining its own internal process associated with these procurements. The committee expects to see evidence of such progress by the time of the submission of the fiscal year 1984 defense request and, in its absence, the committee will consider recommending additional congressional direction to the Department to insure that the Defense Department and its component parts are complying fully with the intent of last year's congressional initiative.

NATO Conventional Capability Improvement Study

Over the years, the committee has expressed concern over NATO's conventional warfighting capabilities. Improvements have been made in recent years, especially in the capabilities of U.S. forces; however, there is still considerable need for additional improvements in light of the increasing capabilities of the Warsaw Pact forces.

The U.S. Army recently evolved its fighting doctrine to increase the combat effectiveness of existing units. This doctrine anticipates significant technological advances in conventional weapons, precision guided munitions, surveillance techniques, information processing, targeting and engagement systems.

The committee believes that the Department of Defense should fully evaluate the potential of these technological advances to enhance NATO's conventional force capabilities and should determine whether these programs should be given higher priority in resource allocation decisions.

The committee therefore directs the Secretary of Defense to submit to the Committees on Armed Services of the Senate and House of Representatives a comprehensive study of potential advancements in conventional weapons and munitions which may improve the warfighting capabilities of NATO forces. This study should be submitted concurrent with the President's budget request for fiscal year 1984. The views and analyses of appropriate theater commanders, including the Supreme Allied Commander, Europe, should be incorporated in this study. This study should evaluate programs for each of the services and should be consistent with the current approved military doctrine for the air-land battle.

DEPARTMENTAL RECOMMENDATION

GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE,
Washington, D.C., March 12, 1982.

Hon. GEORGE BUSH,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is forwarded herewith legislation, "To authorize appropriations for fiscal year 1983, for procurement, for research, development, test, and evaluation, and for operation and maintenance for the Armed Forces, to prescribe personnel strengths for the Armed Forces and for civilian personnel of the Department of Defense, and for other purposes."

In accordance with the Congressional Budget Act of 1974, we are also submitting herewith, as separate legislation, a similar request for authorization of appropriations for fiscal year 1984.

These proposals are part of the Department of Defense legislative program for the 97th Congress and the Office of Management and Budget has advised that enactment of the proposals would be in accordance with the program of the President.

Title I provides procurement authorization for the military departments and the Defense agencies and for the United States share of the cost of the acquisition of the Airborne Early Warning and Control System by the North Atlantic Treaty Organization in amounts equal to the budget authority included in the President's budget for fiscal year 1983. It also contains a provision that makes permanent the authority to waive certain costs and assume certain liability in connection with the NATO AWACS program.

Title II provides for the authorization of each of the research, development, test, and evaluation appropriations for the military departments and Defense Agencies in amounts equal to the budget authority included in the President's budget for fiscal year 1983. The authorization contains a provision that authorizes the appropriation of funds that are necessary to cover increased pay costs and other employee benefits to preclude the necessity of submitting a request for a supplemental authorization for such non-discretionary personnel costs.

Title III provides for lump-sum authorization for the operation and maintenance appropriations of the military departments and the Defense Agencies in an amount equal to the budget authority included in the President's budget for fiscal year 1983. The authorization contains a provision which authorizes the appropriation of funds to cover increased pay costs, unbudgeted increases in fuel costs, and inflation in the cost of activities covered by title III.

Title IV prescribes the end strengths for active duty personnel in each component of the Armed Forces as required by section 138(c)(1)

of title 10, United States Code, in the numbers provided for by the budget authority and appropriations requested for these components in the President's budget for fiscal year 1983. It also amends the provisions of section 138(c)(1) to permit the Secretary of a military department to increase authorized personnel end strengths by not more than 1.5 percent if the Secretary concerned determines that such an increase is necessary to maintain a stable personnel force.

Title V provides for average strengths of the Selected Reserve of each Reserve component of the Armed Forces as required by section 138(b) of title 10, United States Code, in the numbers provided for by the budget authority in appropriations requested for the Department of Defense in the President's budget for fiscal year 1983. Title V also prescribes the end strengths for Reserve component members on full-time active duty for the purpose of administering the Reserve forces and provides for an increase in the number of certain commissioned officers and enlisted personnel why may be serving on active duty in support of the Reserve components.

Title VI provides for civilian personnel end strengths for each component of the Department of Defense as required by section 138(c)(2) of title 10, United States Code, in the numbers provided for by the budget authority in appropriations requested for the Department of Defense in the President's budget for fiscal year 1983.

Title VII provides for the average military training student loads as required by section 138(d)(1), of title 10, United States Code, in the numbers provided for this purpose in the President's budget for fiscal year 1983.

Title VIII consists of five General Provisions. Section 301 would make the Secretary of Defense responsible for the administration of "section 6" schools rather than the Secretary of Education as required by the Reconciliation Act. Section 802 repeals the requirement contained in the 1978 authorization act for a reduction in the number of senior military personnel in the Department. A similar requirement for civilian personnel was repealed in the fiscal year 1982 act. Section 803 increases the dollar threshold for making reports to Congress on the sale of defense articles from $25 million to $50 million. This corresponds to a change that was made to the Arms Export Control Act by the International Security and Development Cooperation Act, 1981. Section 804 changes the requirement to report on conversions of commercial and industrial functions so that the requirement (1) applies only to conversion of functions being performed by civilian personnel; (2) applies only to conversions of functions being performed by 50 or more personnel and (3) may be suspended during a time of war or national emergency. Section 805 amends section 138(g) of title 10 relating to the amount of the Special Defense Acquisition fund by increasing the amount from $600 million to $900 million for fiscal year 1984 and for subsequent years.

Sincerely,

WILLIAM H. TAFT IV.

Enclosure.

A BILL To authorize appropriations for fiscal year 1983 for procurement, for research, development, test, and evaluation, and for operation and maintenance

for the Armed Forces, to prescribe personnel strengths for the Armed Forces and for civilian personnel of the Department of Defense, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Defense Authorization Act, 1983".

TITLE I—PROCUREMENT

AUTHORIZATION OF APPROPRIATIONS

SEC. 101. Funds are hereby authorized to be appropriated for fiscal year 1983 for the use of the Armed Forces of the United States for procurement in amounts as follows:

ARMY

For the Army: Aircraft: $2,745,914,000; Missiles: $2,846,600,000; Weapons and tracked combat vehicles: $5,030,685,000; Ammunition: $2,633,384,000; Other procurement: $4,567,491,000.

NAVY

For the Navy: Aircraft (including aircraft for the Marine Corps): $11,582,300,000; Weapons (including missiles and torpedoes): $3,901,600,000; Naval vessels: $18,648,300,000; Other procurement, $3,970,156,000.

MARINE CORPS

For the Marine Corps: Procurement (including missiles, tracked combat vehicles, and other weapons); $2,300,700,000.

AIR FORCE

For the Air Force: Aircraft: $17,756,700,000 of which $186,100,000 is for the United States contribution of its fiscal year 1983 share of the cost of the acquisition by the North Atlantic Treaty Organization of the Airborne Early Warning and Control System; Missiles: $6,827,900,000; Other procurement: $5,845,200,000.

DEFENSE AGENCIES

For the Defense Agencies: For procurement: $890,284,000.

CERTAIN AUTHORITY PROVIDED SECRETARY OF DEFENSE IN CONNECTION WITH THE NATO AIRBORNE WARNING AND CONTROL SYSTEM (AWACS) PROGRAM

SEC. 103. Section 104 of the Department of Defense Authorization Act, 1980 (Public Law 96–107, 93 Stat. 804) is amended by inserting "and thereafter" after "fiscal year 1980" in subsection 104(a) and by striking out "for fiscal year 1980" in subsection (a)(3).

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

AUTHORIZATION OF APPROPRIATIONS

SEC. 201. (a) Funds are hereby authorized to be appropriated for fiscal year 1983 for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, $4,484,000,000.

For the Navy (including the Marine Corps), $6,235,316,000.

For the Air Force, $11,220,400,000.

For the Defense Agencies, $2,320,684,000, of which $60,000,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

(b) In addition to the funds authorized to be appropriated in subsection (a), there are authorized to be appropriated for fiscal year 1983, such additional sums as may be necessary for increases in salary, pay, retirement and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a).

TITLE III—OPERATION AND MAINTENANCE

AUTHORIZATION OF APPROPRIATIONS

SEC. 301. (a) Funds are hereby authorized to be appropriated for fiscal year 1983 for the use of the Armed Forces of the United States (other than the Coast Guard) and other activities and agencies of the Department of Defense for operation and maintenance, in the amount of $69,391,700,000.

(b) In addition to the funds authorized to be appropriated in subsection (a), there are authorized to be appropriated for fiscal year 1983 such additional sums as may be necessary (1) for increases in salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a), and (2) for unbudgeted increases in fuel costs and for increases as a result of inflation in the cost of activities authorized by subsection (a).

TITLE IV—ACTIVE FORCES

AUTHORIZATION OF END STRENGTHS

SEC. 401. The Armed Forces are authorized strengths for active duty personnel as of September 30, 1983, as follows:

(1) The Army, 783,800.

(2) The Navy, 569,200.

(3) The Marine Corps, 194,600.

(4) The Air Force, 600,000.

SEC. 402. (a) Section 138(c)(1) of title 10, United States Code, is amended by inserting the following new sentence after the first sentence: "Such authorized end strength of any component of the armed forces may be increased by not more than 1.5 percent in any fiscal year if the Secretary of Defense determines that such increase is needed to maintain a stable personnel force.".

(b) The amendment made by this section shall apply with respect to end strengths of active duty personnel authorized for fiscal years beginning on or after October 1, 1981.

TITLE V—RESERVE FORCES

AUTHORIZATION OF AVERAGE STRENGTHS

SEC. 501. (a) For fiscal year 1983 the Selected Reserve of the Reserve components of the Armed Forces shall be programmed to attain average strengths or not less than the following:

(1) The Army National Guard of the United States, 407,400.
(2) The Army Reserve, 258,700.
(3) The Naval Reserve, 105,500.
(4) The Marine Corps Reserve, 38,300.
(5) The Air National Guard of the United States, 101,100.
(6) The Air Force Reserve, 66,000.
(7) The Coast Guard Reserve, 10,700.

(b) The average strength prescribed by subsection (a) for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year, and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength prescribed for such fiscal year for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

AUTHORIZATION OF END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES

SEC. 502. Within the average strengths prescribed in section 501, the reserve components of the Armed Forces are authorized, as of September 30, 1983, the following number of Reserves to be serving on full-time active duty for the purpose of organizing, administering, recruiting, instructing, or training the Reserve components:

(1) The Army National Guard of the United States, 14,419.
(2) The Army Reserve, 8,251.
(3) The Naval Reserve, 12,038.
(4) The Marine Corps Reserve, 678.

(5) The Air National Guard of the United States, 5,158.

(6) The Air Force Reserve, 479.

(b) Upon a determination by the Secretary of Defense that such action is in the national interest, the end strengths prescribed by subsection (a) may be increased by a total of not more than the number equal to 2 percent of the total end strengths prescribed.

INCREASE IN NUMBER OF CERTAIN PERSONNEL AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVE COMPONENTS

SEC. 503. Section 517 of title 10, United States Code, is amended—

(1) by striking out the table in subsection (b) and inserting in lieu thereof the following:

"Grade	Army	Navy	Air Force	Marine Corps
E–9	265	156	132	6
E–8	1,244	329	441	56";

(b) The columns under the headings "Army", "Air Force", and "Marine Corps" in the table contained in section 524(a) of such title are amended to read as follows:

"Army	Air Force	Marine Corps
1,351	281	95
671	267	40
234	170	21".

TITLE VI—CIVILIAN PERSONNEL

AUTHORIZATION OF END STRENGTH

SEC. 601. (a) The Department of Defense is authorized a strength in civilian personnel, as of September 30, 1983, of 1,035,500.

(b) The strength for civilian personnel prescribed in subsection (a) shall be apportioned among the Department of the Army, the Department of the Navy, the Department of the Air Force, and the agencies of the Department of Defense (other than the military departments) in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to the Congress within sixty days after the date of enactment of this Act on the manner in which the initial allocation of civilian personnel is made among the military departments and the agencies of the Department of Defense (other than the military departments) and shall include the rationale for each allocation.

(c) In computing the strength for civilian personnel, there shall be included all direct-hire and indirect-hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and

disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program. Personnel employed under a part-time career employment program established by section 3402 of title 5, United States Code, shall be counted as prescribed by section 3404 of that title. Whenever a function, power or duty, or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense, or from another department or agency within the Department of Defense, the civilian personnel end-strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

(d) When the Secretary of Defense determines that such action is necessary in the national interest or if any conversion of commercial- and industrial-type functions from performance by Department of Defense personnel to performance by private contractors which was anticipated to be made during fiscal year 1983 in the Budget of the President submitted for such fiscal year is not determined to be appropriate for such conversion under established administrative criteria, the Secretary of Defense may authorize the employment of civilian personnel in excess of the number authorized by subsection (a), but such additional number may not exceed 2 percent of the total number of civilian personnel authorized for the Department of Defense by subsection (a). The Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength under this subsection.

TITLE VII—MILITARY TRAINING STUDENT LOADS

AUTHORIZATION OF TRAINING STUDENT LOADS

SEC. 701. (a) For fiscal year 1983, the components of the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 78,311.
(2) The Navy, 66,930.
(3) The Marine Corps, 20,435.
(4) The Air Force, 48,769.
(5) The Army National Guard of the United States, 18,052.
(6) The Army Reserve, 14,579.
(7) The Naval Reserve, 1,000.
(8) The Marine Corps Reserve, 2,971.
(9) The Air National Guard of the United States, 2,328.
(10) The Air Force Reserve, 1,351.

(b) The average military student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components authorized in subsection (a) for fiscal year 1983 shall be adjusted consistent with the manpower strengths authorized in titles IV, V, and VI of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the

reserve components in such manner as the Secretary of Defense shall prescribe.

TITLE VIII—GENERAL PROVISIONS

ADMINISTRATION OF SCHOOLS ON MILITARY INSTALLATIONS BY SECRETARY OF DEFENSE

SEC. 801. Notwithstanding the provisions of section 505(c) of the Omnibus Budget Reconciliation Act of 1981, funds authorized to be appropriated by this Act that may be available for payments and arrangements authorized by section 505(c) shall be administered by the Secretary of Defense who shall be responsible for the conduct of programs with such funds and who shall not delegate such responsibility outside of the Department of Defense.

REPEAL OF REQUIREMENT FOR REDUCTION IN NUMBER OF SENIOR MILITARY PERSONNEL OF THE DEPARTMENT OF DEFENSE

SEC. 802. Section 811 of the Department of Defense Appropriation Authorization Act, 1978, as amended (10 U.S.C. 131 note), is amended by repealing subsection (a).

INCREASE IN DOLLAR AMOUNT FOR REPORTS TO CONGRESS ON SALE OR TRANSFER OF DEFENSE ARTICLES

SEC. 803. Section 813 of the Department of Defense Appropriation Authorization Act, 1976 (10 U.S.C. 133 note), is amended by striking out "$25,000,000" and inserting "$50,000,000" in lieu thereof.

MODIFICATION OF REPORTS ON CONVERSION OF PERFORMANCE OF COMMERCIAL AND INDUSTRIAL TYPE FUNCTIONS FROM DEPARTMENT OF DEFENSE PERSONNEL TO PRIVATE CONTRACTORS

SEC. 804. (a) Section 502 of the Department of Defense Authorization Act, 1981 (10 U.S.C. 2304 note) is amended—

(1) by striking out "Department of Defense personnel" each time that it appears and inserting in place thereof "Department of Defense civilian personnel";

(2) by inserting the following new subsections in such section:

"(d) Except for the provisions of subsection (a)(1), the preceding subsections shall not apply to a commercial or industrial type function of the Department of Defense that is being performed by less than 50 Department of Defense civilian personnel.

"(e) The provisions of this section shall not apply during war or a period of national emergency declared by the President or the Congress"; and

(3) By redesignating subsection (d) as subsection (f).

(b) The amendments made by this section become effective on October 1, 1982.

SEC. 805. Section 138(g) of title 10, United States Code, is amended by inserting after "fiscal year 1983" the words "and may not exceed $900,000,000 in fiscal year 1984".

A BILL To authorize appropriations for fiscal year 1984 for procurement, for research, development, test, and evaluation, and for operation and maintenance for the Armed Forces, to prescribe personnel strengths for the Armed Forces and for civilian personnel of the Department of Defense, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Defense Authorization Act, 1984."

TITLE I—PROCUREMENT

AUTHORIZATION OF APPROPRIATIONS

SEC. 101. Funds are hereby authorized to be appropriated for fiscal year 1984 for the use of the Armed Forces of the United States for procurement in amounts as follows:

ARMY

For the Army: Aircraft: $3,373,126,000; Missiles: $3,333,858,000; Weapons and tracked combat vehicles: $5,702,596,000; Ammunition: $3,024,065,000; Other procurement: $4,988,243,000.

NAVY

For the Navy: Aircraft (including aircraft for the Marine Corps): $12,899,700,000; Weapons (including missiles and torpedoes): $4,932,-309,000; Naval vessels: $12,455,706,000; Other procurement, $5,259,-161,000.

MARINE CORPS

For the Marine Corps: Procurement (including missiles, tracked combat vehicles, and other weapons): $1,987,617,000.

AIR FORCE

For the Air Force: Aircraft: $24,892,600,000 of which $108,800,000 is for the United States contribution of its fiscal year 1984 share of the cost of the acquisition by the North Atlantic Treaty Organization of the Airbone Early Warning and Control System; Missiles: $9,689,-487,000; Other procurement: $8,322,245,000.

DEFENSE AGENCIES

For the Defense Agencies: For procurement: $1,010,110,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

AUTHORIZATION OF APPROPRIATIONS

SEC. 201. (a) Funds are hereby authorized to be appropriated for fiscal year 1984 for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, $5,284,734,000.

For the Navy (including the Marine Corps), $7,746,511,000.

For the Air Force, $11,448,035,000.

For the Defense Agencies, $2,975,971,000, of which $63,702,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

(b) In addition to the funds authorized to be appropriated in subsection (a), there are authorized to be appropriated for fiscal year 1984, such additional sums as may be necessary for increases in salary, pay, retirement and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a).

TITLE III—OPERATION AND MAINTENANCE

AUTHORIZATION OF APPROPRIATIONS

SEC. 301. (a) Funds are hereby authorized to be appropriated for fiscal year 1984 for the use of the Armed Forces of the United States (other than the Coast Guard) and other activities and agencies of the Department of Defense for operation and maintenance, in the amount of $73,022,612,000.

(b) In addition to the funds authorized to be appropriated in subsection (a), there are authorized to be appropriated for fiscal year 1984 such additional sums as may be necessary (1) for increases in salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a), and (2) for unbudgeted increases in fuel costs and for increases as a result of inflation in the cost of activities authorized by subsection (a).

TITLE IV—ACTIVE FORCES

AUTHORIZATION OF END STRENGTHS

SEC. 401. The Armed Forces are authorized strengths for active duty personnel as of September 30, 1984, as follows:

(1) The Army, 783,800.

(2) The Navy, 581,300.

(3) The Marine Corps, 196,400.

(4) The Air Force, 609,700.

TITLE V—RESERVE FORCES

AUTHORIZATION OF AVERAGE STRENGTHS

SEC. 501. (a) For fiscal year 1984, the Selected Reserve of the Reserve components of the Armed Forces shall be programed to attain average strengths of not less than the following:

(1) The Army National Guard of the United States, 426,500.

(2) The Army Reserve, 276,000.

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(3) The Naval Reserve, 106,200.
(4) The Marine Corps Reserve, 39,100.
(5) The Air National Guard of the United States, 102,500.
(6) The Air Force Reserve, 67,800.
(7) The Coast Guard Reserve, 10,700.

(b) The average strength prescribed by subsection (a) for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year, and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength prescribed for such fiscal year for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

AUTHORIZATION OF END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES

SEC. 502. Within the average strengths prescribed in section 501, the reserve components of the Armed Forces are authorized, as of September 30, 1984, the following number of Reserves to be serving on full-time active duty for the purpose of organizing, administering, recruiting, instructing, or training the Reserve components:

(1) The Army National Guard of the United States, 17,565.
(2) The Army Reserve, 10,533.
(3) The Naval Reserve, 12,625.
(4) The Marine Corps Reserve, 746.
(5) The Air National Guard of the United States, 5,752.
(6) The Air Force Reserve, 479.

(b) Upon a determination by the Secretary of Defense that such action is in the national interest, the end strengths prescribed by subsection (a) may be increased by a total of not more than the number equal to 2 percent of the total end strengths prescribed.

TITLE VI—CIVILIAN PERSONNEL

AUTHORIZATION OF END STRENGTH

SEC. 601. (a) The Department of Defense is authorized a strength in civilian personnel, as of September 30, 1984, of 1,037,100.

(b) The strength for civilian personnel prescribed in subsection (a) shall be apportioned among the Department of the Army, the Department of the Navy, the Department of the Air Force, and the agencies of the Department of Defense (other than the military departments) in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to the Congress within sixty days after the

date of enactment of this Act on the manner in which the initial allocation of civilian personnel is made among the military departments and the agencies of the Department of Defense (other than the military departments) and shall include the rationale for each allocation.

(c) In computing the strength for civilian personnel, there shall be included all direct-hire and indirect-hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program. Personnel employed under a part-time career employment program established by section 3402 of title 5, United States Code, shall be counted as prescribed by section 3404 of that title. Whenever a function, power or duty, or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense, or from another department or agency within the Department of Defense, the civilian personnel end-strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

(d) When the Secretary of Defense determines that such action is necessary in the national interest or if any conversion of commercial- and industrial-type functions from performance by Department of Defense personnel to performance by private contractors which was anticipated to be made during fiscal year 1984 in the Budget of the President submitted for such fiscal year is not determined to be appropriate for such conversion under established administrative criteria, the Secretary of Defense may authorize the employment of civilian personnel in excess of the number authorized by subsection (a), but such additional number may not exceed 2 percent of the total number of civilian personnel authorized for the Department of Defense by subsection (a). The Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength under this subsection.

TITLE VII—MILITARY TRAINING STUDENT LOADS

AUTHORIZATION OF TRAINING STUDENT LOADS

SEC. 701. (a) For fiscal year 1984, the components of the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 74,650.
(2) The Navy, 65,635.
(3) The Marine Corps, 20,279.
(4) The Air Force, 48,018.
(5) The Army National Guard of the United States, 18,090.
(6) The Army Reserve, 13,292.

(7) The Naval Reserve, 998.
(8) The Marine Corps Reserve, 2,988.
(9) The Air National Guard of the United States, 2,327.
(10) The Air Force Reserve, 1,349.

(b) The average military student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components authorized in subsection (a) for fiscal year 1984 shall be adjusted consistent with the manpower strengths authorized in titles IV, V, and VI of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the reserve components in such manner as the Secretary of Defense shall prescribe.

GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE,
Washington, D.C., February 25, 1982.

Hon. GEORGE BUSH,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: The President's budget for fiscal year 1983 includes supplemental budget requests for the Department of Defense for fiscal year 1982. The request for supplemental appropriations recognizes cost growth and program changes arising in fiscal year 1982 for which adjustments must be made in order to maintain and achieve the national defense objectives initiated last year. It will provide for significant readiness improvements, reduction of real property maintenance backlogs, development funds for the MX missile, mobility force airlift requirements and production of M–1 tank components which will ensure an adequate surge capability for the future. Some of these requests will require fund authorization pursuant to section 138(a) of title 10, United States Code. The amount requested for authorization is equal to the amounts requested by the President for supplemental appropriations for those appropriations that require authorization. $1,451,800,000.00 is the total being requested for supplemental authorization for the Department for fiscal year 1982.

Accordingly, there is forwarded herewith legislation, "To authorize supplemental appropriations for fiscal year 1982 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, and for other purposes."

This proposal is a part of the Department of Defense legislative program for the 97th Congress and the Office of Management and Budget has advised that enactment of this proposal would be in accord with the program of the President.

Sincerely,

L. NIEDERLEHNER
(For William H. Taft IV).

Enclosure.

A BILL To authorize supplemental appropriations for fiscal year 1982 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be

cited as the "Department of Defense Supplemental Authorization Act, 1982".

TITLE I—PROCUREMENT

AUTHORIZATION OF SUPPLEMENTAL APPROPRIATIONS

SEC. 101. In addition to the funds authorized to be appropriated under title I of the Department of Defense Authorization Act, 1982 (Public Law 97-86; 95 Stat. 1099) funds are hereby authorized to be appropriated for fiscal year 1982 for the use of the Armed Forces of the United States for procurement, in amounts as follows:

AIRCRAFT

For Aircraft: for the Air Force, $219,100,000.

NAVAL VESSELS

For naval vessels: for the Navy, $263,400,000.

TRACKED COMBAT VEHICLES

For tracked combat vehicles: for the Army, $126,000,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

AUTHORIZATION OF SUPPLEMENTAL APPROPRIATIONS

SEC. 201. In addition to the funds authorized to be appropriated under title II of the Department of Defense Authorization Act, 1982 (95 Stat. 1101) funds are hereby authorized to be appropriated for fiscal year 1982 for the use of the Armed Forces of the United States for research, development, test, and evaluation in amounts as follows:

For the Air Force: $57,000,000.

TITLE III—OPERATION AND MAINTENANCE

AUTHORIZATION OF SUPPLEMENTAL APPROPRIATIONS

SEC. 301. In addition to the funds authorized to be appropriated under title III of the Department of Defense Authorization Act, 1982 (95 Stat. 1103) funds are hereby authorized to be appropriated for the use of the Armed Forces of the United States and other activities and agencies of the Department of Defense for operation and maintenance in amounts as follows:

For the Army, $365,200,000.
For the Navy, $229,300,000.
For the Air Force, $105,300,000.
For the Marine Corps, $25,300,000.
For Defense-wide activities, $61,200,000.

TITLE IV—ACTIVE FORCES

INCREASE IN FISCAL YEAR 1982 ARMY ACTIVE DUTY END STRENGTH

SEC. 401. Section 401 of the Department of Defense Authorization Act, 1982 (95 Stat. 1104), is amended by striking out "780,300" and inserting in lieu thereof "784,400".

FEDERAL EMERGENCY MANAGEMENT AGENCY,
Washington, D.C., February 26, 1982.

Hon. GEORGE BUSH,
President of the Senate,
U.S. Senate, Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is draft legislation "To authorize appropriations for civil defense programs for fiscal years 1983 and 1984, and for other purposes."

In accordance with section 408 of the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2260) the bill authorizes the appropriations of $252,340,000 for civil defense programs for 1983. This is the same amount as that included for those programs in the President's budget for fiscal year 1983. It also authorizes $310,000,000 for FY 1984.

The bill would also amend section 408 of the Federal Civil Defense Act. That section currently limits appropriations which can be made available for contributions for emergency management assistance (formerly called personnel and administrative expenses) to $47 million. The budget estimates for FY 1983 call for such contributions to amount to $49,960,000. It is, therefore, necessary to increase the limitation. Section 2 of the bill increases the amount to $50 million.

The Office of Management and Budget advises that there is no objection to the submission of this proposal for consideration of the Congress and its enactment would be in accord with the President's program.

Sincerely,

GEORGE JETT,
General Counsel.

Enclosure.

A BILL To authorize appropriations for civil defense programs for fiscal years 1983 and 1984, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be appropriated for the fiscal year ending September 30, 1983, to carry out the provisions of the Federal Civil Defense Act of 1950, the sum of $252,340,000 and for the fiscal year ending September 30, 1984, $310,000,000.

SECTION 2. Section 408 of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2260), is further amended by striking the figure $47,000,000 in the second proviso and substituting $50,000,000 in lieu thereof.

COMMITTEE ACTION

In accordance with the Legislative Reorganization Act of 1946, as amended by the Legislative Reorganization Act of 1970, there is set forth below the committee vote to report this bill, S. 2248, as amended.

In favor: Senators Tower, Thurmond, Goldwater, Warner, Humphrey, Cohen, Jepsen, Quayle, Denton, Stennis, Jackson, Cannon, Byrd of Virginia, Nunn, Hart and Exon.

Opposed: Senator Levin.

Vote: 16–1.

The other roll call votes on amendments to the bill which were taken up during the course of the markup have been made public and are available at the committee.

FISCAL DATA

With respect to 5-year cost projections, under Public Law 91–510, the Legislative Reorganization Act of 1970, certain Senate rules and procedures were revised. Shown below is the legislative language:

SEC. 252(a)(1) The report accompanying each bill or joint resolution of a public character reported by any committee of the Senate (except the Committee on Appropriations) shall contain—

(A) an estimate, made by such committee, of the costs which would be insured in carrying out such bill or joint resolution in the fiscal year in which it is reported and in each of the five fiscal years following such fiscal year (or for the authorized duration of any program authorized by such bill or joint resolution if less than five years), except that, in the case of measures affecting the revenues, such report shall require only an estimate of the gain or loss in revenues for a one-year period; and

(B) a comparison of the estimate of costs described in subparagraph (A) made by such committee with any estimate of costs made by any Federal agency;

(C) in lieu of such estimate or comparison, or both, a statement of the reason why compliance by the committee with requirements of subparagraph (A) or (B), or both, is impracticable.

(2) It shall not be in order in the Senate to consider any such bill or joint resolution if such bill or joint resolution was reported in the Senate after the effective date of this subsection and the report of that committee of the Senate which reported such bill or joint resolution does not comply with the provisions of paragraph (1) of this subsection.

Below is the letter received in compliance with the legislation. The bill is an annual authorization and does not, within its own terms, generate costs, beyond fiscal year 1983 even though the funds authorized to be obligated by this act may not be expended for several years in the future. The fiscal year authorizations herein provided are reviewed annually by the committee and the Congress.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., April 12, 1982.

Hon. JOHN G. TOWER,
Chairman, Committee on Armed Services,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with Section 252(a) of the Legislative Reorganization Act of 1970 (P.L. 91–510), the enclosed schedule provides an estimate of how the amended authorization now requested in fiscal year 1983 will be expended over the fiscal year 1983–1987 period.

The uncertainty of future year Defense programs precludes precise projections, but the enclosed schedule provides my estimate of the range of authorizations required during each of the next five years required to support the forces contained in the Annual Defense Report on the fiscal year 1983 budget.

For the first time, the following appropriations will require authorization.

Procurement of Ammunition, Army; Other Procurement, Army; Other Procurement, Navy; Procurement, Marine Corps (Budget Activities 1, 4, 5, 6); Other Procurement, Air Force; and Procurement, Defense Agencies.

Sincerely,

JOHN R. QUETSCH,
Acting Assistant Secretary of Defense
(Comptroller).

Enclosure.

ESTIMATED EXPENDITURES,[1] PROCUREMENT AND R.D.T. & E.

Fiscal year 1983 authorization request: $113,807.6 million.

Fiscal year:	*Millions*
1983	$25,343.9
1984	40,178.9
1985	23,946.4
1986	9,307.0
1987	6,143.6
1988	4,132.5
Beyond	4,755.3

I estimate that to support the forces in the Annual Defense Report on fiscal 1983 budget, authorizations for procurement and R.D.T. & E. in the range of $114–$193 billion would be required.

ESTIMATED EXPENDITURES,[1] PROCUREMENT, R.D.T. & E. AND O. & M.

Fiscal year 1983 authorization request: $183,199.3 million.

Fiscal year:	*Millions*
1983	$80,080.1
1984	52,393.8
1985	25,601.8
1986	10,092.2
1987	6,143.6
1988	4,132.5
Beyond	4,755.3

I estimate that to support the forces in the Annual Defense Report on fiscal year 1983 budget, authorizations for procurement, R.D.T. & E. and O. & M. in the range of $184–$297 billion would be required.

[1] Estimated expenditures do not reflect recommended supplemental authorization for fiscal year 1982 (Title IX).

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., April 13, 1982.

HON. JOHN TOWER,
Chairman, Committee on Armed Services, U.S. Senate
Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for S. 2248, the Department of Defense Authorization Act, 1983.

Should the Committee so desire, we would be pleased to provide further detail on the attached cost estimate.

Sincerely,

ALICE M. RIVLIN, *Director.*

1. Bill number: S. 2248.

2. Bill title: Department of Defense Authorization Act, 1983.

3. Bill status: As ordered reported by the Senate Committee on Armed Services on March 31, 1982.

4. Bill purpose: This bill authorizes appropriations during fiscal year 1983 for:

> The procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons; Research, development, test and evaluation; Operation and maintenance; and Civil defense.

This bill prescribes authorized personnel strengths for each active duty component, for the Selected Reserve of each Reserve component, for the civilian personnel of the Department of Defense and for military training student loads.

The bill includes additional provisions which do not have a significant cost impact.

5. Cost estimate:

[By fiscal year, in millions of dollars]

	1982	1983	1984	1985	1986	1987
Function 050:						
Estimated authorization	1,529	229,137	300			
Estimated outlays	102	128,940	50,672	28,265	9,933	5,383
Function 150:						
Authorization level						
Estimated outlays			−300			
Total:						
Estimated authorization	1,529	229,137	300			
Estimated outlays	102	128,940	50,372	28,265	9,933	5,383

Note: See table 1 for additional detail.

6. Basis of estimate: All estimates assume that funds will be appropriated for the full amount of the authorization, that fiscal year 1982 funds will be available for obligation by July 1, 1982 and that fiscal year 1983 funds will be available for obligation by October 1, 1982.

Title I—Procurement; Title II—Research, development, test, and evaluation; and Title III—Operation and maintenance

The estimated outlays in the Procurement, Research, Development, Test, and Evaluation, and Operation and Maintenance titles are based on historical outlay rates for these accounts. The estimates in this section include additional fiscal year 1982 funds.

Section 103 of Title I gives the Secretary of Defense permanent authority to waive reimbursement and surcharges for services otherwise chargeable and assume other contingent liabilities associated with the North Atlantic Treaty Organization (NATO) E–3A program. Consistent with the Department of Defense, CBO considers these costs to be included in amounts otherwise authorized by this Act.

Section 201 of Title II authorizes appropriations for pay raises for civilians funded in the Research, Development, Test, and Evaluation title. Costs are based on a pay raise of seven percent.

Section 301 of Title III authorizes appropriations for pay raises for civilians funded in the Operation and Maintenance title. Costs are based on a pay raise of seven percent.

Title IV—Active Forces

The estimates for active military personnel include the pay and allowances associated with these personnel. Retired pay is excluded. Pay costs are based on pay as included in the fiscal year 1983 President's budget and an October 1, 1982 pay raise of seven percent. Adjustments for committee changes were made at the average cost of the category of personnel affected by the committee change. The estimates in this section include additional fiscal year 1982 funds.

Section 403 limits the number of Army non-high school graduates in fiscal year 1983 to not more than 35 percent of all non-prior-service males enlisted or inducted into the Army. Beginning in fiscal year 1983, the number of non-prior-service male and female recruits enlisted or inducted scoring in the lowest acceptable test category IV cannot exceed 20 percent of each service's non-prior-service enlistments and inductions for that fiscal year. Should present favorable recruiting trends continue, CBO projections indicate the Army should have little difficulty meeting these minimum standards in fiscal year 1983. Yet the Army's quality recruiting performance will depend in part on the size of the fiscal year 1983 pay raise. CBO's recruiting projections indicate that a recruit pay raise of less than five percent (and in the absence of any additional incentives) could jeopardize the attainment of these minimum recruit quality standards. Moreover, these projections assume the Army does not further restrict first-term reenlistments and thus increase recruiting requirements to maintain enlisted strengths.

Title V—Reserve Forces

The estimates for reserve military personnel include the pay and allowances associated with these personnel. Retired pay is excluded. Pay costs are based on pay as included in the fiscal year 1983 President's budget and an October 1, 1982 pay raise of seven percent.

Title VI—Civilian personnel

The costs of the civilian personnel authorization are reflected in the authorizations for other titles because civilian personnel funding is included in the Research, Development, Text, and Evaluation and Operation and Maintenance authorizations. Some civilians are fi-

nanced through Military Construction and Family Housing, which will be authorized in a separate bill.

Title VIII—Attack-related civil defense

Title VIII authorizes appropriations of $144,530,000 for carrying out the provisions of the Federal Civil Defense Act of 1950. Outlays are estimated on the basis of historical spendout rates for similar programs.

Title XI—General provisions

Section 1101 increases the authorized size of the Special Defense Acquisition Fund (SDAF) from $600 million to $900 million in fiscal year 1984. Currently, collections from sales from DOD stocks not intended to be replaced, non-recurring asset use charges and research and development charges are authorized to be deposited in the SDAF up to $300 million in fiscal year 1982 and $600 million in fiscal year 1983. This section would authorize an additional $300 million to be deposited in fiscal year 1984. The effect of this section is to reduce offsetting receipts in budget function 050, raising budget authority and outlays, and to increase collections in the SDAF, reducing outlays in budget function 150.

7. Estimate comparison: CBO completed an estimate for H.R. 6030, the Department of Defense Authorization Act, as ordered reported by the House Armed Services Committee, on April 12, 1982.

8. Previous CBO estimate: None.

9. Estimate prepared by: Alice Hughey, Mick Miller, Julia Doherty, Joe Whitehill, and Dan Huck.

10. Estimate approved by:

JAMES L. BLUM,
Assistant Director for Budget Analysis.

TABLE 1.—COSTS OF S. 2248 AS REPORTED BY THE SENATE ARMED SERVICES COMMITTEE

[By fiscal year, in millions of dollars]

	1982	1983	1984	1985	1986	1987
Function 050:						
Procurement:						
Authorization level	1,041	87,278				
Estimated outlays	8	10,147	31,166	25,602	9,391	5,382
Research, development, test and evaluation:						
Authorization level	143	23,975				
Estimated outlays	10	14,045	8,071	1,323	542	1
Operation and maintenance:						
Authorization level	326	70,317				
Estimated outlays	65	58,304	10,212	1,330		
Active Forces:						
Estimated authorization	19	42,551				
Estimated outlays	19	41,572	808			
Reserve Forces:						
Estimated authorization		4,871				
Estimated outlays		4,759	93			
Civil defense:						
Authorization level		145				
Estimated outlays		113	22	10		
Special defense acquisition fund:						
Authorization level			300			
Estimated outlays			300			
Total, function 050:						
Estimated authorization	1,529	229,137	300			
Estimated outlays	102	128,940	50,672	28,265	9,933	5,383
Function 150:						
Authorization level						
Estimated outlays			−300			
Total, functions 050 and 150:						
Estimated authorization	1,529	229,137	300			
Estimated outlays	102	128,940	50,372	28,265	9,933	5,383

CONGRESSIONAL ACTION ON PROCUREMENT, R.D.T. & E., OPERATION AND MAINTENANCE AND CIVIL DEFENSE AUTHORIZATION REQUESTS

Fiscal year	Authorization request	Senate authorization	House authorization	Conference	Appropriated
1964	$15, 358, 691, 000	$14, 951, 491, 000	$15, 856, 391, 000	$15, 314, 291, 000	$14, 364, 690, 000
1965	17, 185, 300, 000	17, 040, 140, 000	16, 914, 800, 000	16, 967, 620, 000	16, 722, 391, 000
1966	19, 363, 050, 000	15, 283, 800, 000	15, 303, 400, 000	[1] 19, 468, 250, 000	[1] 19, 320, 550, 000
1967	20, 769, 659, 000	17, 170, 059, 000	17, 858, 059, 000	[1] 21, 401, 459, 000	[1] 21, 057, 559, 000
1968	21, 066, 432, 000	20, 765, 332, 000	21, 481, 032, 000	21, 168, 032, 000	20, 149, 432, 000
1969	22, 385, 052, 000	21, 341, 738, 000	21, 636, 904, 000	21, 625, 750, 000	18, 491, 041, 000
1970	21 963, 660, 000	19, 988, 886, 000	21, 347, 860, 000	20, 710, 502, 000	[2] 19, 311, 520, 000
1971	20, 317, 430, 000	[3] 19, 242, 889, 000	20, 237, 439, 000	[3] 19, 929, 089, 000	[3] 18, 997, 376, 000
1972	[4 5 7] 22, 359, 129, 000	[6] 21, 016, 417, 000	[5] 21, 252, 682, 000	[6] 21, 316, 870, 000	20, 461, 802, 000
1973	[8] 23, 272, 971, 000	20, 521, 671, 000	21, 318, 788, 520	[9] 21, 588, 747, 000	19, 567, 838, 000
1974 [10 12]	21, 959, 100, 000	20, 947, 563, 000	20, 445, 255, 000	21, 299, 520, 000	20, 163, 250, 000
1975 [11]	23, 130, 139, 000	21, 819, 321, 000	22, 642, 963, 000	22, 195, 037, 000	[13] 20, 892, 540, 000
1976	28, 562, 388, 000	[15] 25, 233, 535, 000	26, 539, 023, 000	25, 513, 383, 000	24, 850, 879, 000
197T	5, 863, 737, 000	5, 271, 798, 000	5, 474, 017, 000	5, 354, 723, 000	5, 193, 638, 000
1977	[14] 34, 218, 765, 000	31, 831, 348, 000	33, 256, 443, 000	32, 522, 202, 000	31, 626, 183, 000
1978	[16] 36, 258, 150, 000	36, 329, 077, 000	36, 484, 962, 000	36, 573, 681, 000	33, 771, 625, 000
1979	[17] 37, 486, 012, 000	37, 339, 869, 000	36, 557, 869, 000	37, 255, 969, 000	35, 461, 500, 000
1980	40, 123, 241, 000	40, 103, 896, 000	41, 333, 243, 000	41, 390, 457, 000	40, 644, 202, 000
1981 [18]	49, 867, 194, 000	54, 697, 886, 000	55, 718, 266, 000	55, 522, 246, 000	53, 487, 013, 000
1982 [19]	136, 491, 251, 000	136, 536, 111, 000	136, 111, 036, 000	130, 696, 451, 000	129. 403. 191, 000
1983	183, 451, 654, 000				

[1] Includes supplemental which is not included in House/Senate authorizations since supplemental request was received subsequent to House/Senate action on initial authorization request.

[2] Of this amount $350,000,000 to be drived by transfer from stock funds.

[3] Includes $331,000,000 for Safeguard construction and family housing.

[4] Reflects budget amendment submitted subsequent to House action(+$111,000,000).

[5] Includes $183,600,000 for Safeguard construction and family housing.

[6] Includes $109,570,000 for Safeguard construction and family housing.

[7] Includes $59,762,000 additional requested for civilian pay increases pursuant to Public Law 91-656.

[8] Includes $3,000,000 for special foreign currency program for Navy under R.D.T. & E. appropriation; includes fisca year 1973 budget amendments of $54,000,000 for civilian personnel pay raise, $251,800,000 for various programs, and June 27, 1972, amendments of $770,000,000 for Southeast Asia and SALT related items.

[9] Includes $644,900,000 additional authorization in sec. 801 of Public Law 92-570.

[10] Includes $2,600,000 for special foreign currency program for Navy under R.D.T. & E. appropriation.

[11] Includes $2,570,000 for special foreign currency program for Navy under R.D.T. & E. appropriation.

[12] Does not include the Feb. 4, 1974, supplemental authorization request for procurement and R.D.T. & E. in the amount of $1,244,589,000.

[13] Does not include $700,000 appropriated for military support of South Vietnam.

[14] Includes authorization amendments ($317,000,000 addition to Air Force missiles for Minuteman, $974,000 addition to Navy shipbuilding and $200,000,000 for Navy R.D.T. & E.). These amendments were received subsequent to, and therefore not considered in, House authorization action.

[15] Includes $221,000,000 fiscal year 1976 supplemental authorization for repair and modernization of the U.S.S. Belknap guided missile cruiser.

[16] Includes the July 13, 1977 supplemental authorization for procurement and R.D.T. & E. in the amount of $404,970,000 as well as subsequent congressional action.

[17] Includes the Feb. 28, 1979, amended supplemental authorization request for procurement and R.D.T. & E. in the amount of $2,002,200,000 as well as subsequent congressional action.

[18] Includes the Mar. 11, 1981, supplemental authorization request for procurement and R.D.T. & E. in the amount of $2,958,594,000 as well as subsequent Congressional action.

[19] Does not include supplemental authorization request for fiscal year 1982 for procurement, R.D.T. & E. and operation and maintenance in the amount of $1,451,800,000.

Notes:

During fiscal years 1964 and 1965 tracked combat vehicles were not subject to authorization action.

During fiscal year 1964, 1965, and 1966 the emergency fund under R. & D. was not subject to authorization action.

Authorization for other weapons was not required prior to fiscal year 1971.

Authorization for torpedoes and related support equipment was not required prior to fiscal year 1972.

Senate/House authorizations reflect only those major weapons systems for South Vietnam support which would be subject to authorization process (excludes personnel and operating funds).

Authorization for civil defense was not required prior to fiscal year 1978.

Authorization for operations and maintenance was not required prior to fiscal year 1982.

Authorization for ammunition and other procurement was not required prior to fiscal year 1983.

RELATIONSHIP OF ANNUAL AUTHORIZATION TO DEPARTMENT OF DEFENSE APPROPRIATIONS

History of Section 138, Title 10, United States Code

(Superseding "Section 412")

The jurisdiction of the committee so far as specific annual authorizations are concerned was increased significantly in 1959 by the enactment of section 412(b) of Public Law 86–149 which required annual congressional authorization of appropriations for the procurement of aircraft, missiles, and naval vessels. That law was amended and expanded as follows:

In 1962 (Public Law 87–436) to require similar authorization of appropriations for research, development, test, or evaluation associated with aircraft missiles, and naval vessels;

In 1963 (Public Law 88–174) to require authorization of appropriations for all research, development, test, or evaluation carried on by the Department of Defense;

In 1965 (Public Law 89–37) to require authorization of appropriations for the procurement of tracked combat vehicles;

In 1967 (Public Law 90–168) to require annual authorization of the personnel strengths of each of the Selected Reserves of the Reserve components as a prior condition for the appropriation of funds for the pay and allowances for the Reserve components;

In 1969 (Public Law 91–121) to require authorization of appropriations for the procurement of other weapons to or for the use of any armed force of the United States. (Essentially, heavy, medium, and light artillery, antiaircraft artillery, rifles, machineguns, mortars, small arms weapons, and any crew-fired piece using fixed ammunition);

In 1970 (Public Law 91–441) to require authorization of appropriations to or for the use of the Navy for the procurement of torpedoes and related support equipment; and to require authorization of the average annual active duty personnel strength for each component of the Armed Forces as a condition precedent to the appropriation of funds for this purpose;

In 1972 (Public Law 92–436) to require annual authorization for the average military training student loads for each component of the Armed Forces, and modified the provisions relating to authorization for active duty personnel strength;

In 1973 (Public Law 93–155) to require authorization for end strength civilian employment for each component of the Defense Department in each fiscal year;

In 1975 (Public Law 94–106) to require the annual authorization of military construction of ammunition facilities; and

In 1980 (Public Law 96–342) to require the annual authorization of appropriations of funds for the operation and maintenance of any armed force or the activities and agencies of the Department of Defense (other than the military departments) for fiscal years beginning after September 30, 1981.

In 1982 (Public Law 97–86) to require the annual authorization of appropriations of funds for procurement of ammunition or other procurement for any armed force or for agencies of the Department of Defense (other than military departments).

Also, in 1973 these enactments were codified by section 803(a) of Public Law 93–155 into Title 10, United States Code, as section 138. The law today reads as follows:

§ 138. Annual authorization of appropriations and personnel strengths for the armed forces; annual manpower requirements and operations and maintenance reports

(a) No funds may be appropriated for any fiscal year to or for the use of any armed force or obligated or expended for—

(1) procurement of aircraft, missiles, or naval vessels;

(2) any research, development, test, or evaluation, or procurement or production related thereto;

(3) procurement of tracked combat vehicles;

(4) procurement of other weapons;

(5) procurement of naval torpedoes and related support equipment;

(6) military construction (as defined in subsection (f)); or

(7) the operation and maintenance of any armed forces or the activities and agencies of the Department of Defense (other than the military departments);

(8) procurement of ammunition; or

(9) other procurement by any armed force or by the activities and agencies of the Department of Defense (other than the military departments);

unless funds therefor have been specifically authorized by law.

(b) (1) Congress shall authorize the average personnel strength of the Selected Reserve of each reserve component of the armed forces. No funds may be appropriated for any fiscal year for the pay and allowances of members of any reserve component of the armed forces unless the personnel strength of the Selected Reserve of that reserve component for that fiscal year has been authorized by law.

(2) The Secretary of Defense shall submit to the Congress each year, not later than February 15, a written report concerning the equipment of the National Guard and the reserve components of the armed forces for each of the three succeeding fiscal years. Each such report shall include—

(A) recommendations as to the type and quantity of each major item of equipment which should be in the inventory of the Selected Reserve of the Ready Reserve of each reserve component of the armed forces;

(B) the quantity and average age of each type of major item of equipment which is expected to be physically available in the inventory of the Selected Reserve of the Ready Reserve of each reserve component as of the beginning of each fiscal year covered by the report;

(C) the quantity and cost of each type of major item of equipment which is expected to be procured for the Selective Reserve of the Ready Reserve of each reserve component from commercial sources or to be transferred to each such Selected Reserve from the active-duty components of the armed forces; and

(D) the quantity of each type of major item of equipment which is expected to be retired, decommissioned, transferred, or otherwise removed from the physical inventory of the Selected Reserve of the Ready Reserve of each reserve component and the plans for replacement of that equipment.

The report required by this paragraph shall be prepared and expressed in the same format and with the same level of detail as the information presented in the annual Five Year Defense Program Procurement Annex prepared by the Department of Defense.

REGULATORY IMPACT

Paragraph 11(b) of rule XXVI of the Standing Rules of the Senate requires that a report on the regulatory impact of a bill be included in the report on such bill. The Committee finds that in the case of S. 2248 as amended there is no regulatory impact.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing laws proposed to be made by the bill are shown as follows: Existing law to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman.

TITLE 10, UNITED STATES CODE

SUBTITLE A—GENERAL MILITARY LAW

PART I. ORGANIZATION AND GENERAL MILITARY POWERS

Chap.		Sec.
1.	Definitions	101
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9.	Regular Components. [No present sections]	
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PART I. ORGANIZATION AND GENERAL MILITARY POWERS

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CHAPTER 4. DEPARTMENT OF DEFENSE

* * * * * * *

§ 138. Annual authorization of appropriations and personnel strengths for the armed forces; annual manpower requirements and operations and maintenance reports

* * * * * * *

(c) (1) (A) Congress shall authorize the end strength as of the end of each fiscal year for active-duty personnel for each component of the armed forces. *The end strength for any component of the armed forces for any fiscal year may be increased by a number equal to not more than 0.5 percent of the total end strength authorized for such component for such fiscal year if the Secretary of Defense determines that such increase is needed to maintain a stable personnel force.* No funds may be appropriated for any fiscal year to or for the use of the active-duty personnel of any component of the armed forces unless the end strength for active-duty personnel of that component for that fiscal year has been authorized by law.

(a) (1) * * *

(e) (1) * * *

(f) (1) * * *

(g) The size of the Special Defense Acquisition Fund established pursuant to chapter 5 of the Arms Export Control Act may not exceed $300,000,000 in fiscal year [1982 and] *1982*, may not exceed $600,000,000 in fiscal year 1983 *and may not exceed $900,000,000 in fiscal year 1984* or any fiscal year thereafter.

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PART II—PERSONNEL

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CHAPTER 31—ENLISTMENTS

Sec.
501. Definition.
502. Enlistment oath: who may administer.
503. Enlistments: recruiting campaigns[.]; *compilation of directory information.*
504. Persons not qualified.
505. Regular components: qualifications, term, grade.
506. Regular components: extension of enlistments during war.
507. Extension of enlistment for members needing medical care or hospitalization.
508. Reenlistment: qualifications.
509. Voluntary extension of enlistments: periods and benefits.

Chap.
510. Reserve components: qualifications.
511. Reserve components: terms.
512. Reserve components: transfers.
[513. Repealed.]
514. Bounties prohibited: substitutes prohibited.
515. Reenlistment after discharge as warrant officer.
516. Effect upon enlisted status of acceptance of appointment as cadet or midshipman.
517. Authorized daily average: members in pay grades E–8 and E–9.
518. Temporary enlistments.
519. Temporary enlistments: during war or emergency.
520. Criminal history information for military recruiting purposes.

* * * * * * *

§ 503. Enlistments: recruiting campaigns[.] *; compilation of directory information*

(*a*) The Secretary concerned shall conduct intensive recruiting campaigns to obtain enlistments in the Regular Army, Regular Navy, Regular Air Force, Regular Marine Corps, and Regular Coast Guard.

(*b*) (*1*) *The Secretary of Defense is authorized to collect and compile directory information pertaining to each student who is seventeen years of age or older, or who is in the eleventh grade (or its equivalent) or higher regardless of age, and who is enrolled in a secondary school in the United States, its territories, possessions, or the Commonwealth of Puerto Rico.*

(*2*) *Directory information collected and compiled by the Secretary of Defense under this subsection may be made available to the armed forces for military recruiting purposes only.*

(*3*) *Directory information pertaining to any person may not be maintained for more than three years after the date the information pertaining to such person is first collected and compiled under this subsection.*

(*4*) *Directory information collected and compiled under this subsection shall be confidential and no person who has had access to such information may disclose such information except for the purposes described in paragraph (2).*

(*5*) *The Secretary of Defense shall prescribe regulations necessary to carry out the provisions of this subsection and may authorize each Secretary concerned to issue further implementing regulations necessary to administer the program established under this subsection. Regulations issued pursuant to this section shall be reported to the Committees on Armed Services of the Senate and House of Representatives. Any regulations issued by the Secretaries concerned shall be as uniform as practicable.*

(*6*) *In this subsection, "directory information" means, with respect to a student, the student's name, address, telephone listing, date and place of birth, level of education, degrees received, academic grades and class standing, and the most recent previous educational agency or institution attended by the student.*

* * * * * * *

§ 517. Authorized daily average: members in pay grades E–8 and E–9

* * * * * * *

Grade	Army	Navy	Air Force	Marine Corps
E–9	[222] 265	[146] 156	[76] 132	[4] 6
E–8	[908] 1,244	[319] 329	[307] 441	[12] 56

* * * * * * *

§ 520. Criminal history information for military recruiting purposes

(a) Each State and each unit of general local government of a State is requested to make available, upon request, to the Secretary concerned any criminal history information maintained by or available to such State or unit of general local government which pertains to any person who, within 90 days before the date on which such information was requested (1) has made application for enlistment in the armed forces, or (2) has made, in connection with such person's application for enlistment, an application for participation in a program of the armed forces which requires a determination of the trustworthiness of persons who participate in such program.

(b) In this section, 'criminal history information' means the following information with respect to any juvenile or adult arrest, citation, or conviction of any person referred to in subsection (a):

(1) The offense involved.

(2) The age of the person with respect to whom such information pertains.

(3) The dates of the alleged offense, arrest, and conviction, if any.

(4) The place the offense was alleged to have been committed, the place of the arrest, and the court to which the case was assigned.

(5) The disposition of the case.

(c) Criminal history information received under this section shall be confidential and no person who has had access to any information received under this section may disclose such information except to facilitate military recruiting.

(d) The Secretaries concerned shall prescribe regulations necessary to carry out the provisions of this section, which shall be as uniform as practicable. Any regulations issued pursuant to this section shall be reported to the Committees on Armed Services of the Senate and House of Representatives.

* * * * * * *

CHAPTER 32—OFFICER STRENGTH AND DISTRIBUTION IN GRADE

* * * * * * *

§ 524. Authorized strengths: reserve officers on active duty for administration of the reserves in grades of major, lieutenant colonel, and colonel and Navy grades of lieutenant commander, commander, and captain

* * * * * * *

"Grade	Army	Navy	Air Force	Marine Corps
Major or lieutenant commander	[1,105] 1,351	823	[189] 281	[51] 95
Lieutenant colonel or commander	[551] 671	425	[192] 267	[35] 40
Colonel or Navy captain	[171] 234	177	[147] 170	[19] 21

§ 525. Distribution of commissioned officers on active duty in general officer and flag officer grades

(a) No appointment may be made in a grade above brigadier general in the Army, Air Force, or Marine Corps if that appointment would result in more than 50 percent of the general officers of that armed force on active duty being in grades above brigadier general. No appointment may be made in a grade above commodore admiral in the Navy if that appointment would result in more than 50 percent of the flag officers of the Navy on active duty being in grades above commodore admiral.

(b) (1) No appointment may be made in a grade above major general in the Army, Air Force, or Marine Corps if that appointment would result in more than 15 percent of the general officers of that armed force on active duty being in grades above major general. In the case of the Army and Air Force, of the 15 percent of general officers on active duty who may be serving in grades above major general, not more than 25 percent may be serving in the trade of general.

(2) No appointment may be made in a grade above rear admiral in the Navy if that appointment would result in more than **[**15**]** *17½* percent of the flag officers of the Navy on active duty being in grades above rear admiral. Of the **[**15**]** *17½* percent of flag officers on active duty who may be serving in grades above rear admiral, not more than 25 percent may be serving in the grade of admiral.

(3) An officer while serving as Chairman of the Joint Chiefs of Staff or as Chief of Staff to the President, if serving in the grade of general or admiral, is in addition to the number authorized his armed force for that grade under paragraph (1) or (2).

* * * * * * *

NOTE.—On October 1, 1983 the above changes will revert to those figures depicted below.

§ 525. Distribution of commissioned officers on active duty in general officer and flag officer grades

(a) No appointment may be made in a grade above brigadier general in the Army, Air Force, or Marine Corps if that appointment would result in more than 50 percent of the general officers of that armed force on active duty being in grades above brigadier general. No appointment may be made in a grade above commodore admiral in the Navy if that appointment would result in more than 50 percent of the flag officers of the Navy on active duty being in grades above commodore admiral.

(b) (1) No appointment may be made in a grade above major general in the Army, Air Force, or Marine Corps if that appointment would result in more than 15 percent of the general officers of that armed force on active duty being in grades above major general. In the case of the Army and Air Force, of the 15 percent of general officers on active duty who may be serving in grades above major general, not more than 25 percent may be serving in the grade of general.

(2) No appointment may be made in a grade above rear admiral in the Navy if that appointment would result in more than [17½] *15* percent of the flag officers of the Navy on active duty being in grades above rear admiral. Of the [17½] *15* percent of flag officers on active duty who may be serving in grades above rear admiral, not more than 25 percent may be serving in the grade of admiral.

(3) An officer while serving as Chairman of the Joint Chiefs of Staff or as Chief of Staff to the President, if serving in the grade of general or admiral, is in addition to the number authorized his armed force for that grade under paragraph (1) or (2).

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PART IV—SERVICE, SUPPLY, AND PROCUREMENT

* * * * * * *

CHAPTER 131—PLANNING AND COORDINATION

Sec.

[2201. Repealed.]
2202. Obligation of funds: limitation.
2203. Budget estimates.
2204. Obligation of appropriations.
2205. Availability of reimbursements.
2206. Disbursement of funds of military department to cover obligations of another agency of Department of Defense.
2207. Expenditure of appropriations: limitation.
2208. Working-capital funds.
2209. Management funds.
2210. Proceeds of sales of supplies: credit to appropriations.
2211. Reimbursement for equipment, material, or services furnished members of the United Nations.
2212 Commission of annual military construction authorization request.
2213. Cooperative military airlift agreements.

* * * * * * *

§ *2213. Cooperative military airlift agreements*

(a) Subject to the availability of appropriations, and after consultation with the Secretary of State, the Secretary of Defense may enter into cooperative military airlift agreements with the government of any allied country for the transportation of the personnel and cargo of the military forces of such country on aircraft operated by or for the military forces of the United States in return for the reciprocal transportation of the personnel and cargo of the military forces of the United States on aircraft operated by or for the military forces of such allied country. Any such agreement shall include the following terms:

(1) The rate of reimbursement for transportation provided shall be the same for each party and shall be not less than the rate charged to military forces of the United States as determined by the Secretary of Defense under section 2208(h) of this title.

(2) Credits and liabilities accrued as a result of providing or receiving transportation shall be liquidated not less often than once every three months by direct payment to the country which has provided the greater amount of transportation.

(3) During peacetime, the only military airlift capacity which may be used to provide transportation is that capacity which is not needed to meet the transportation requirements of the military forces of the country providing the transportation and which is not created solely to accommodate the requirements of the military forces of the country receiving the transportation.

(4) Defense articles purchased by an allied country from the United States under the Arms Export Control Act (22 U.S.C. 2751 et seq.) or from a commercial source under the export controls of the Arms Export Control Act may not be transported (for the purpose of delivery incident to the purchase of the defense articles) to the purchasing allied country on aircraft operated by or for the military forces of the United States, except at a rate of reimbursement which is equal to full cost of transportation of the defense articles, as required by section 21(a)(3) of the Arms Export Control Act (22 U.S.C. 2761(a)(3)).

(b) The Secretary of Defense may also enter into non-reciprocal military airlift agreements with North Atlantic Treaty Organization subsidiary bodies in the manner provided in subsection (a) and under such terms as the Secretary of Defense deems appropriate.

(c) Any amount received by the United States as a result of an agreement entered into under this section shall be credited to applicable appropriations, accounts, and funds of the Department of Defense.

(d) Notwithstanding chapter 138 of this title, military airlift agreements shall be entered into only under the authority of this section.

(e) For purposes of this section:

(1) 'Allied country' means—

(A) a country which is a member of the North Atlantic Treaty Organization;

(B) Australia and New Zealand; and

(C) any other country designated as an allied country by the Secretary of Defense, with the concurrence of the Secretary of State.

(2) 'North Atlantic Treaty Organization subsidiary bodies' has the meaning given to it by section 2331 of title 10.

* * * * * * *

CHAPTER 137—PROCUREMENT GENERALLY

Sec.

2303. Applicability of chapter.
2304. Purchases and contracts: advertising; exceptions.[1]
2305. Formal advertisements for bids; time; opening; award; rejection.
2306. Kinds of contracts.
2307. Advance payments.
2308. Assignment and delegation of procurement functions and responsibilities.
2309. Allocation of appropriations.
2310. Determinations and decisions.
2311. Delegation.
2312. Remission of liquidated damages.
2313. Examination of books and records of contractor.
2314. Laws inapplicable to agencies named in section 2303 of this title.
2315. Laws inapplicable to the acquisition of automatic data processing equipment to be used for certain purposes.
2316. Requirements pertaining to sole-source contracts.

* * * * * * *

§ 2316. Requirements pertaining to sole-source contracts

(a) In this section—

(1) 'sole-source contract' means a negotiated contract for the purchase of property or services which is entered into or proposed to be entered into by a military department or defense agency after soliciting only one contractor.

(2) 'person' has the same meaning as provided in section 551 (2) of title 5.

(b) (1) The head of a military department or defense agency may not enter into negotiations for the award of a sole-source contract for more than $100,000 unless—

(A) the head of such department or agency has first published in the Commerce Business Daily a notice that the department or agency intends to negotiate such contract;

(B) a period of at least thirty days after the date of the first publication of the notice has expired, and all interested responsible persons have been permitted to respond or submit proposals in response to such notice within such period;

(C) the head of such department or agency has considered all responses submitted within the thirty-day period referred to in clause (B); and

(D) the head of such department or agency has approved the proposal to negotiate such contract.

(2) The notice required under paragraph (1) (A) shall include—

(A) all information pertaining to the contract that would be required to be published if the contract were to be awarded under formal advertising procedures; and

(B) a statement that any person may respond to the notice within thirty days after the date of the publication of the notice.

(c) The Secretary of Defense may waive the requirements of subsection (b) in the case of any contract if he determines such action necessary because of national security reasons.

(d) The provisions of subsection (b) shall not apply in the case of—

(1) a classified procurement if the notice required under subsection (b) (1) (A) cannot reasonably be worked to avoid disclosure of classified information;

(2) a procurement with respect to which disclosure of the Government's interest in the property or service to be purchased would compromise the national security;

(3) the procurement of utility services (not including the purchase of equipment or supplies);

(4) the procurement of perishable subsistence and services related thereto, if the head of the agency determines that it is impracticable to comply with the thirty-day requirement referred to in subsection (b) (1) (B);

(5) a procurement when only foreign sources are to be solicited;

(6) a procurement from another agency, including a procurement from the Small Business Administration under section 8(a) of the Small Business Act (15 U.S.C. 637(a));

(7) the procurement of any property or service the price of which is established by law;

(8) a procurement that is of such urgency that the Government would be seriously injured by the delay involved in complying with the thirty-day requirement referred to in subsection (b) (1) (B);

(9) the procurement of any property or service the cost of which is to be reimbursed by a foreign country, if the foreign country requires that the property or service be obtained from a particular source;

(10) a procurement to be awarded as a follow-on contract or contract for related supplies or services if such follow-on or related contract is awarded in connection with a program for the procurement of an end item of a major weapons system for which there was a contract competition evaluated on the basis of price and design factors or price and technical factors.

(11) procurement of personal or professional services, in an amount less than $500,000 to the extent that a determination is made that only one source can provide the desired service;

(12) procurement of construction services if a contractor or group of contractors is already at work on the site at which services are to be provided and it would not be practicable to allow another contractor or additional contractors to work on the same site;

(13) procurements to be made by an order placed under an existing contract, but only if the existing contract was awarded after a notice published in the Commerce Business Daily in accordance with subsection (a);

(14) facilities contracts when the performance required practicably can be obtained only from one source; and

(15) procurements from nonprofit institutions.

(e) The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives, not later than March 1 of each year, a report on all sole source contracts of more than $100,000 entered into by each military department during the preceding fiscal year. Such report shall include the number of such contracts entered into during the preceding fiscal year by each such department that were exempt from the requirement of subsection (b) and the total dollar amount of such contracts.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975

Public Law 93–365 (98 Stat. 402)

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TITLE III—ACTIVE FORCES

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SEC. 302. (a) The United States military forces in Europe can reduce headquarters and noncombat military personnel relative to the number of combat personnel located in Europe. Therefore, except in the event of imminent hostilities in Europe, the noncombat component of the total United States military strength in Europe authorized as of June 30, 1974, shall be reduced by 18,000. Such reduction shall be completed not later than June 30, 1976, and not less than 6,000 of such reduction shall be completed on or before June 30, 1975; however, the Secretary of Defense is authorized to increase the combat component

strength of United States forces in Europe by the amount of any such reduction made in noncombat personnel. The Secretary of Defense shall report semiannually to the Congress on all actions taken to improve the combat proportion of United States forces in Europe. The first report shall be submitted not later than March 31, 1975.

(b) For purposes of this section, the combat component of the Army includes only the infantry, cavalry, artillery, armored, combat engineers, special forces, attack assault helicopter units, air defense, and missile combat units of battalion or smaller size; the combat component of the Navy includes only the combat ships (aircraft carrier, cruiser, destroyer, submarine, escort and amphibious assault ships) and combat aircraft wings (fighter, attack, reconnaissance, and patrol); the combat component of the Air Force includes only the tactical fighter reconnaissance, tactical airlift, fighter interceptor and bomber units of wing or smaller size.

(c) The Secretary of Defense shall undertake a specific assessment of the costs and possible loss of nonnuclear combat effectiveness of the military forces of the North Atlantic Treaty Organization countries caused by the failure of the North Atlantic Treaty Organization members, including the United States, to standardize weapons systems, ammunition, fuel, and other military impediment for land, air, and naval forces. The Secretary of Defense shall also develop a list of standardization actions that could improve the overall North Atlantic Treaty Organization nonnuclear defense capability or save resources for the alliance as a whole. He shall also evaluate the relative priority and effect of each such action. The Secretary shall submit the results of these assessments and evaluations to the Congress and subsequently shall also cause them to be brought before the appropriate North Atlantic Treaty Organization bodies in order that the suggested actions and recommendations can become an integral part of the overall North Atlantic Treaty Organization review of force goals and development of force plans. The Secretary of Defense shall report semiannually to the Congress on the specific assessments and evaluations made under the above provisions as well as the results achieved with the North Atlantic Treaty Organization allies. The first such report shall be submitted to Congress not later than January 31, 1975.

(d) The total number of United States tactical nuclear warheads located in Europe on the date of enactment of this Act shall not be increased until after June 30, 1975, except in the event of imminent hostilities in Europe. The Secretary of Defense shall study the overall concept for use of tactical nuclear weapons in Europe; how the use of such weapons relates to deterrence and to a strong conventional defense; reductions in the number and type of nuclear warheads which are not essential for the defense structure for Western Europe; and the steps that can be taken to develop a rational and coordinated nuclear posture by the North Atlantic Treaty Organization Alliance that is consistent with proper emphasis on conventional defense forces. The Secretary of Defense shall report to the Committees on Armed Services and Foreign Relations of the Senate and the Committees on Armed Services and Foreign Affairs of the House of Representatives on the results of the above study on or before April 1, 1975.

91-861 O - 82 - 13

The Secretary shall also include in each such report—

(1) a description of each existing and planned development and procurement program of the Department of Defense that supports the development or procurement of a weapon system or other military equipment originally developed or procured by members of the North Atlantic Treaty Organization (NATO) other than the United States and for which funds have been authorized to be appropriated for the fiscal year in which the report is submitted;

(2) a summary listing of the amount of funds appropriated for each such existing and planned program, for the fiscal year in which the report is submitted; and

(3) a summary listing of the amount of funds requested, or proposed to be requested, for all such programs, for each of the two fiscal years following the fiscal year in which the report is submitted.

Such report shall also include a description of each weapon system or other military equipment originally developed or procured in the United States that is being developed or procured by members of the North Atlantic Treaty Organization (NATO) other than the United States during the fiscal year in which the report is submitted.

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DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1976

Public Law 94–106 (89 Stat. 531)

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TITLE VIII—GENERAL PROVISIONS

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SEC. 813. In the case of any letter of offer to sell or any proposal to transfer defense articles which are valued at [$25,000,000] *$50,000,000* or more from the United States active forces' inventories, the Secretary of Defense shall submit a report to the Congres setting forth—

(1) the impact of such sales or transfers on the current readiness of United States forces; and

(2) the adequacy of reimbursements to cover, at the time of replenishment to United States' inventories, the full replacement costs of those items sold or transferred.

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DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1981

Public Law 96–342 (94 Stat. 1077)

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TITLE III—ACTIVE FORCES

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LIMITATION ON ENLISTMENT AND INDUCTION OF PERSONS INTO THE ARMED FORCES WHOSE SCORE ON THE ARMED FORCES QUALIFICATION TEST IS BELOW A PRESCRIBED LEVEL

SEC. 302. (a) The number of male individuals (with no prior military service) enlisted or inducted into the Army during the fiscal year beginning on October 1, [1981] *1982*, who are not high school graduates may not exceed, as of September 30, [1982] *1983*, 35 percent of all male individuals (with no prior military service) enlisted or inducted into the Army during such fiscal year.

* * * * * * *

STRENGTHENING OF RESTRICTIONS ON CONVERSION OF PERFORMANCE OF COMMERCIAL AND INDUSTRIAL TYPE FUNCTIONS FROM DEPARTMENT OF DEFENSE PERSONNEL TO PRIVATE CONTRACTORS

SEC. 502. (a) No commercial or industrial type function of the Department of Defense that on October 1, 1980 is being performed by Department of Defense *civilian* personnel may be converted to performance by a private contractor—

(1) to circumvent any civilian personnel ceiling; or

(2) unless the Secretary of Defense provides to the Congress in a timely manner—

(A) notification of any decision to study such commercial or industrial type function for possible performance by a private contractor;

(B) a detailed summary of a comparison of the cost of performance of such function by Department of Defense *civilian* personnel and by private contractor which demonstrates that the performance of such function by a private contractor will result in a cost savings to the Government over the life of the contract and a certification that the entire cost comparison is avaiblable;

(C) a certification that the Government calculation for the cost of performance of such function by Department of Defense *civilian* personnel is based on an estimate of the most efficient and cost effective organization for performance of such function by Department of Defense *civilian* personnel; and

(D) a report, to be submitted with the certification required by subparagraph (C), showing—

(i) the potential economic effect on employees affected, and the potential economic effect on the local community and Federal Government of contracting for performance of such function;

(ii) the effect of contracting for performance of such function on the military mission of such function; and

(iii) the amount of the bid accepted for the performance of such function by the private contractor whose

bid is accepted and the cost of performance of such function by Department of Defense *civilian* personnel, together with costs and expenditures which the Government will incur because of the contract.

(b) If, after completion of the studies required for completion of the certification and report required by subparagraphs (C) and (D) of subsection (a)(2), a decision is made to convert to contractor performance, the Secretary of Defense shall notify Congress of such decision.

(c) The Secretary of Defense shall submit a written report to the Congress by February 1 of each year describing the extent to which commercial and industrial type functions were performed by Department of Defense contractors during the preceding fiscal year. The Secretary shall include in each such report an estimate of the percentage of commercial and industrial type functions of the Department of Defense that will be performed by Department of Defense *civilian* personnel, and the percentage of such functions that will be performed by private contractors, during the fiscal year during which the report is submitted.

[(d) This section shall take effect on October 1, 1980:]

(d) Except for the provisions of subsection (a)(1), the preceding subsections shall not apply to a commercial or industrial type function of the Department of Defense that is being performed by less than 50 Department of Defense civilian personnel.

(e) In no case may any commercial or industrial type function being performed by Department of Defense personnel be modified, reorganized, divided, or in any way changed for the purpose of exempting from the requirements of subsection (a)(2) the conversion of all or any part of such function to performance by a private contractor.

(f) The provisions of this section shall not apply during war or a period of national emergency declared by the President or the Congress; and

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DEPARTMENT OF DEFENSE APPROPRIATION ACT, 1982

Public Law 97-114 (95 Stat. 1565)

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TITLE VII—GENERAL PROVISIONS

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SEC. 723. No part of any appropriation contained in this Act, except for small purchases in amounts not exceeding $10,000, shall be available for the procurement of any article of food, clothing, cotton, woven silk or woven silk blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic fabric, or wool (whether in the form of fiber

or yarn or contained in fabrics, materials, or manufactured articles), or specialty metals including stainless steel flatware, not grown, reprocessed, reused, or produced in the United States or its possessions, except to the extent that the Secretary of the Department concerned shall determine that satisfactory quality and sufficient quantity of any articles of food or clothing or any form of cotton, woven silk and woven silk blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic fabric, wool, or specialty metals including stainless steel flatware, grown, reprocessed, reused, or produced in the United States or its possessions cannot be procured as and when needed at United States market prices and except procurements outside the United States in support of combat operations, procurements by vessels in foreign waters, and emergency procurements or procurements of perishable foods by establishments located outside the United States for the personnel attached thereto: *Provided, That nothing herein shall preclude the procurement of specialty metals or chemical warfare protective clothing produced outside the United States or its possessions when such procurement is necessary to comply with agreements with foreign governments requiring the United States to purchase supplies from foreign sources for the purposes of offsetting sales made by the United States government or United States firms under approved programs serving defense requirements or if such procurement is necessary in furtherance of the standardization and interoperability of equipment requirements within the North Atlantic Treaty Organization (NATO) so long as such agreements with foreign governments comply, where applicable, with the requirements of section 36 of the Arms Export Control Act and with section 814 of the Department of Defense Appropriation Authorization Act, 1976: Provided further*, That nothing herein shall preclude the procurement of foods manufactured or processed in the United States or its possessions: *Provided further*, That no funds herein appropriated shall be used for the payment of a price differential on contracts hereafter made for the purpose of relieving economic dislocations other than certain contracts not involving fuel made on a test basis by the Defense Logistics Agency with a cumulative value not to exceed $5,000,000,000, as may be determined by the Secretary of Defense pursuant to existing laws and regulations as not to be inappropriate therefor by reason of national security considerations: *Provided further*, That the Secretary specifically determines that there is a reasonable expectation that offers will be obtained from a sufficient number of eligible concerns so that awards of such contracts will be made at a reasonable price and that no award shall be made for such contracts if the price differential exceeds 5 per centum: *Provided further*, That none of the funds appropriated in this Act shall be used except that, so far as practicable, all contracts shall be awarded on a formally advertised competitive bid basis to the lowest responsible bidder.

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[SEC. 783. None of the funds available in this Act shall be used by the Secretary of a military department to make a contract for the purchase of administrative motor vehicles that are manufactured outside the United States or Canada unless the contractor was selected through

competitive bidding without a differential in favor of foreign manufacturers: *Provided*, That this section does not apply to contracts for amounts less than $50,000, nor to existing contracts.]

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DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1982

Public Law 97-86 (95 Stat. 1100)

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TITLE I—PROCUREMENT

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CERTAIN AUTHORITY PROVIDED SECRETARY OF DEFENSE IN CONNECTION WITH THE NATO AIRBORNE WARNING AND CONTROL SYSTEM (AWACS) PROGRAM

SEC. 104. (a) During fiscal year 1982 *and each fiscal year thereafter*, the Secretary of Defense, in carrying out the Multilateral Memorandum of Understanding Between the North Atlantic Treaty Organization (NATO) Ministers of Defense on the NATO E-3A Cooperative Programme, signed by the Secretary of Defense on December 6, 1978, may—

(1) waive reimbursement for the cost of the following functions performed by personnel other than personnel employed in the United States Air Force Airborne Warning and Control System (AWACS) program office:

(A) auditing;
(B) quality assurance;
(C) codification;
(D) inspection;
(E) contract administration;
(F) acceptance testing;
(G) certification services; and
(H) planning, programming, and management services;

(2) waive any surcharge for administrative services otherwise chargeable; and

(3) in connection with the NATO E-3A Cooperative Programme [for fiscal year 1982], assume contingent liability for—

(A) program losses resulting from the gross negligence of any contracting officer of the United States;

(B) identifiable taxes, customs duties, and other charges levied within the United States on the program; and

(C) the United States share of the unfunded termination liability.

(b) Authority under this section to enter into contracts shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

* * * * * * *

TITLE IV—ACTIVE FORCES

AUTHORIZATION OF END STRENGTHS

SEC. 401. The *Armed Forces are authorized* strengths for active duty personnel as of September 30, 1982, as follows:

(1) The Army, [780,300.] *784,400.*

(2) The Navy, 554,600.

(3) The Marine Corps, 192,100.

(4) The Air Force, 580,800.

FEDERAL CIVIL DEFENSE ACT OF 1950

(64 Stat. 1245; 50 U.S.C. App. 2251–2297)

* * * * * * *

APPROPRIATIONS AND TRANSFER OF FUNDS

SEC. 408. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act in the fiscal year ending September 30, 1977. No funds may be appropriated for any fiscal year beginning after September 30, 1977, for carrying out the purpose of this Act, unless such funds have been authorized for such purpose by legislation enacted after the date of enactment of the Department of Defense Appropriations Authorization Act, 1977. Funds made available for the purposes of this Act may be allocated or transferred for any of the purposes of this Act, with the approval of the Bureau of the Budget, to any agency or Government corporation designated to assist in carrying out this Act: *Provided*, That each such allocation or transfer shall be reported in full detail to the Congress within thirty days after such allocation or transfer: *Provided further*, That appropriations for the payment of travel and per diem expenses for students under section 201(e) shall not exceed $300,000 per annum; appropriations for expenditures under the fourth proviso of section 201(h) (donation of radiological instruments, et cetera) shall not exceed $35,000,000 per annum; appropriations for contribution to the States for personal equipment for State and local workers, under section 201(i) shall not exceed $2,000,000 per annum; and appropriations for contributions for personnel and administrative expenses under section 205 shall not exceed [$47,000,000] *$50,000,000* per annum.

ADDITIONAL VIEWS OF MR. JACKSON

The Department of Defense announced in January its intention to reopen the C–5 production line (shut down since 1972) to produce an additional 50 C–5 aircraft. The costs associated with this decision are as measured in FY 1981 dollars at least $6.1 billion for the aircraft and $8.0 billion in associated operations and support costs over the next 20 years. These costs are to be incurred for an aircraft for which the history for reliability of performance has been poor and for which the Military Airlift Command has already recommended an exhaustive list of changes if it is returned to production.

The justification for this procurement is an alleged shortfall in our capability by all methods to deliver outsized equipment (equipment which will not fit in a C–141 cargo plane) in support of the Rapid Deployment Force. If this shortfall does not exist then the additional C–5 aircraft should not be procured. Based on the Congressionally Mandated Mobility Study (CMMS) presented to Congress on April 30, 1981, and on the information provided to the Congress to date, I do not believe that the case for this procurement requirement has been made. Rather, I believe that any creditable scenario for intertheater, outsize-capable airlift requirements can be met by the proper management of the existing fleet of 77 C–5 aircraft. As a consequence, I continue to oppose this decision which has a total budget authorization impact in the next three fiscal years of more than $5 billion.

There is a need for additional airlift capability, but it is for hauling oversize equipment and bulk materials as opposed to outsized equipment. To use the C–5 for this purpose is neither desirable nor necessary. For intertheater operations, in addition to the C–141 aircraft, commercial widebody aircraft are much less expensive and more reliable as proven by their records in commercial service. A B–747 can haul more cargo by weight or volume further at less cost per mile than the C–5. The cost of a new B–747 is about half that of an additional C–5, based on the optimistic cost estimates for the C–5. The support and operating costs for the B–747 are $4.8 million per year, whereas it costs $8.0 million per year to support and operate the C–5. The DC–10 has several advantages over the C–5 as well. Both the DC–10 and the B–747 are currently in production and provide an early enhancement in our airlift capabilities, literally 4 or 5 years ahead of when C–5s of comparable numbers can be available through restarting the production line. In sum, we can have greater capabilities, at less cost, earlier by using commercial widebody aircraft rather than the C–5 to provide oversize equipment and bulk materials airlift enhancement.

At the initial hearing on February 2, 1982, before the Committee on Armed Services to consider the FY 1983 DOD budget, I asked Secretary Weinberger for a detailed justification of the C–5 decision in terms of the requirement and the costs, delivery dates, and capabilities

of alternative aircrafts. The following is a copy of his reply dated March 1, 1982:

THE SECRETARY OF DEFENSE,
Washington, D.C., March 1, 1982.

Senator HENRY M. JACKSON,
U.S. Senate,
Washington, D.C.

DEAR SCOOP: During my testimony on February 2, you asked for information concerning the comparative analysis of the various airlift options.

Attached is a copy of my insert for the record. You will note that the B–747 was given consideration as an alternative to the C–5 or the C–17. These considerations were based on a Boeing proposal to deliver one airplane per month beginning one year after the date an order is placed. We did not consider the B–747 as an alternative to the KC–10 because the B–747 and KC–10 had previously been competed head-to-head in the development and selection of an Advanced Tanker Cargo Aircraft (ATCA). The ATCA selection led to the acquisition of the KC–10 under the provisions of the contract which will serve as the basis for procurement of an additional 44 KC–10s.

The B–747–200F. proposed by Boeing, just does not have the military utility of the C–5. The roll-on, roll-off features of the C–5, truck bed height of the cargo deck, the five foot higher ceiling, the capacity to carry 70 troops in addition to their cargo, and the aerial refueling capability are formidable advantages which the lesser cost of the B–747 does not offset.

I trust that the information provided is useful.

Sincerely,

CASP.

Attachment.

The Air Force considered an array of airlift acquisition options in arriving at a final airlift program for the near term. These included CRAF, B–747F, CX(C–17), KC–10 and C–5.

1. CIVIL RESERVE AIR FLEET (CRAF) ENHANCEMENT PROGRAM

This option provided for augmentation of the Civil Reserve Air Fleet (CRAF) by modifying existing passenger aircraft, owned by the airlines, with cargo features. Under this program the Air Force pays the modification and the marginal operating costs to civil airlines of owning and operating an aircraft that can be converted rapidly to carry oversize and bulk cargo in lieu of passengers. Viable offers were received from three carriers for 49 DC–10–10s, and four DC–10–30s.

This option was rejected for several reasons. The most notable are that the DC–10–10s are very range limited, requiring two ground refuelings to reach certain crisis destinations; and, that the projected cost was much higher than expected. Since these CRAF airplanes would be available only in a declaration of national emergency, meaning they may not be available in certain critical scenarios, the dollar cost and critical requirements dictated that we seek a more responsive alternative.

The Department of Defense is not, however, foreclosing the possibility of CRAF modifications, particularly for new production wide-bodied, long-range aircraft. Funds are tentatively budgeted in FY84 and beyond for this purpose. Airline proposals for modification of aircraft will be evaluated on their individual merits in terms of availability, relative cost and contribution to national security in a declared emergency. It is hoped that the contracting authority provided in the FY 1982 Defense Authorization Act will make CRAF modifications less risky for the airlines, and, therefore less costly to the Department of Defense.

2. PROCUREMENT OPTIONS

The procurement options are summarized in the table below. All dollars shown are FY81.

	KC–10	C–5	C–17	B–747	
Proposed program (number of aircraft):					
Buy	44	50	64	40	32
PAA	39	44	57	35	28
Million ton miles per day per aircraft [1]	[2] 0.125	0.186	0.145	0.234	0.292
Million ton miles per day added by program [1]	[2] 4.9	8.2	8.2	8.2	8.2
Weight of cargo load (tons) (normal/maximum)	60/85	75/120	45/86		88/125
Cargo compartment size (W/H in feet)	20/8	19/13	18/12		19/8
Daily utilization surge rate [3] (hours/day)	[3] 10	12.5	15.6	12.5	15.6
Unit acquisition cost	$52M	$118M	$112M	$70M	$70M
Acquisition program cost [4]	$2.4B	$6.1B	$10.3B	$3.0B	$2.4B
20 yr operations and support cost	$2.6B	$8.0B	$5.7B	$6.8B	$5.6B
Program 20 yr operations and support cost	$5.0B	$14.1B	$17.0B	$9.8B	$8.0B
First delivery (FY quarter/year)	FY3/84	FY3/85	FY4/87	FY1/84	FY1/84
Last delivery (FY quarter/year)	FY2/89	FY3/89	FY4/91	FY1/88	FY3/87
Initial operational capability	([5])	([5])	FY4/88		FY1/85

[1] Ton miles per day computations are from major airfield to major airfield and do not take into consideration cargo throughput capacity to small intratheatre airfields.

[2] Assumes cargo use only; does not consider multiplier effect of cargo/tanker role in deploying tactical air squadrons, or for refueling other airlift aircraft. Assume 10 hr per day rate; proportionately higher at 15 hr per day rate.

[3] 10 hrs per day surge rate for KC–10 reflects existing posture as constrained by crew ratio authorizations under current planning; surge to 15 hr is logistically supportable.

[4] Acquisition program cost includes initial spares, technical data, R.D.T. & E., and MILCON (R.D.T. & E. and MILCON are excluded under unit acquisition cost).

[5] As recorded.

a. B–747–200F

The B–747 option was rejected because it ranked lowest in terms of overall military utility among the acquisition proposals considered. Moreover, this aircraft does not offer a near-term option because training capability and the logistics support elements would have to be created to attain an operational capability.

The B–747 was considered as an alternative to the C–5 and C–17. The B–747–200F lacks certain features required for the efficient transport of military equipment:

Full cargo compartment cross-section loading openings.
Adequate cargo compartment floor strength.
Integral, self-deployable cargo ramps.
Truckbed-height loading.
Drive-on/drive-off capability.
High-flotation landing gear.
In-flight refueling.

Loadability, particularly of outsize type cargo, is the major problem with the B–747. Although the Boeing Company provided data indicating a high percentage of loadability, to attain this percentage a portion

of the equipment requires special handling and/or major disassembly (removing rotors, snubbing wheels, and loading on special fixtures). In addition, it requires extra time and manpower for disassembly and reassembly. Boeing does not account for this extra time. Loadability of military equipment involves more than just clearances through the doors. Rapid on- and off-loads are essential to the smooth, high-volume traffic flow expected in major deployments. Aircraft which offer drive-on and drive-off loading have significant advantages over those which requires extensive high lift materials-handling-equipment support. A lowered nose concept would somewhat improve the loadability of the B–747. However, loading on the inclined floor would require vehicle tie-down with drivers holding brakes—more time consuming and less safe than level floor loadings.

b. KC–10

The capability of the KC–10 to support airlift requirements is unique. This airplane is a very efficient carrier of bulk and oversize cargo with essentially the same limitations as the 747F; it can be used to extend the range and payload of the C–141 and C–5 transport aircraft through aerial refueling; it can deploy tactical fighter squadrons by carrying personnel, equipment and simultaneously refueling the deploying aircraft.

The KC–10, as a combination airlift/tanker aircraft, reflects the need to deploy both air and ground combat units. In the early days of a deployment, the first units required are fighter squadrons, whereas after the first week the requirements are predominantly for the movement of land forces. The KC–10, as a "swing" aircraft able to support both types of inter-theatre air mobility requirements, will greatly ease this transition.

Additional KC–10s are being procured both because of its flexible capability, and also because it is available soon at a very favorable price within the framework of an existing contract negotiated under intense competition.

c. C–17 vs. C–5

With respect to satisfaction of the requirement for at least 10 million ton miles per day of outsize capability, the C–5 delivers the most capability, soonest, at less program cost than the C–17. Given the seriousness of our airlift shortfall, the C–5 is clearly the most attractive near term option. For example, by the end of FY87 we will have delivered 17 more C–5s than we could have delivered C–17s with total program concurrently, and will have 3.8 million ton miles per day more capability.

The early availability of the C–5 over the C–17 (two years with considerable concurrency, three years by conservative estimates) is made possible by the existence of government-owned tooling and engineering drawings valued at more than $750 million and, for many C–5 items, qualified sources of supply. The C–17, on the other hand, represents a new development with attendant research and development, production, initial training, and operational costs and risks.

The overriding consideration in the choice between the C–5 and C–17 is the conclusion—documented in CMMS and numerous other studies over many years—that a significant airlift shortfall exists

now! Consequently, the objective is to increase airlift capability as quickly as possible. The Air Force originally recommended the C–17 vs. the C–5 when funding constraints resulted in delivery profiles that were not significantly different for the two aircraft. Under those circumstances, the C–17's greater military utility (including air drop, combat on-off load, as well as intra-theatre capability) and lower operating cost seemed to make it the better choice. Given the opportunity to increase funding, as warranted by shortfall now, Air Force selected the C–5 because production deliveries could be made earlier than under the C–17 program.

Hence, a good program soon was chosen over a somewhat better program later. This choice is also consistent with an apparent signal from Congress which eliminated RDT&E funds for airlift in FY82.

In summary, over the past several years when Air Force pursued the development and acquisition of the C–X (C–17) aircraft, fiscal constraints did not permit the identification and execution of the obvious "quick fix" solution offered by a combination of the KC–10 and additional C–5 aircraft. Rather, available funding pointed to a stretched out procurement with a meaningfully enhanced operational capability closer to 1990 than to 1985.

With the heightened awareness that readiness is absolutely dependent on responsive and capable airlift, the resolve to try to fix the problem sooner led to consideration of increased funding for near term airlift procurement. As the FY83 budget process drew to a close, it became certain that fiscal consideration would permit increased funding for airlift in the near term. At this point it became clear that, in addition to the KC–10, the C–5 procurement would permit earlier reduction of the shortfall as described above.

There is no C–X (C–17) production program. Our pressing near-term inter-theatre airlift shortfall will be satisfied by the combined KC–10/C–5 program. Although the KC–10/C–5 program will add substantially to our inter-theatre capability, it will not provide the minimum additional outsize/oversize airlift recommended in the Congressionally Mandated Mobility Study. An aircraft designed to the specifications established for the C–17 will be required in the longer-term (late 1980s and early 1990s) for two reasons. First, there is a need for outsize intra-theatre capability to augment the airlift provided by the C–130s. Second, there will be the need to replace C–141s and some C–130 aircraft beginning in the early 1990s.

We are going to propose, therefore, that, subject to Congressional approval, a modest FY82/83 C–17 R&D effort be continued with funds ($32M) from the unobligated FY81 C–X appropriation. This effort would focus on improvements included in the C–17 design which can be methodically developed to produce more efficient structures and more efficient energy use for both military and civil aircraft. Specific areas to be investigated include low speed powered lift, engine core thrust reversing, winglet configurations, and cruise drag estimates. Another possible area of investigation is use of advanced structural materials.

In the long term a C–17 type aircraft will be required, not only for airlift missions, but also as a common airframe for other unrelated missions, such as worldwide airborne command and control, and use as a tanker for the Marine Corps.

On March 19, 1982, I sent the following reply to his response:

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., March 19, 1982.

Hon. CASPAR W. WEINBERGER,
Secretary of Defense,
The Pentagon, Washington, D.C.

DEAR MR. SECRETARY: I want to thank you for your letter of March 1, 1982 setting forth a comparative analysis of some airlift options in response to my request. I believe that the information you have provided, while not exhaustive, is nonetheless an important contribution to the Committee on Armed Services' hearing record as we approach mark-up of the FY 1983 DOD authorization bill.

I must say that I am disturbed by the methodology by which the Department arrived at its decision on how to achieve enhancement of our airlift capability. I do not understand your statement that the B–747 was given consideration as an alternative to the C–5 or the C–17. The Ad Hoc Committee on Airlift Enhancement prepared its document entitled "Department of the Air Force Airlift Enhancement Program" which explicitly omitted any detailed consideration of the B–747 for what seems to have been two relatively unsubstantiated arguments. While your submission for the Armed Services Committee record sets forth a number of reservations about the B–747, I do not find them persuasive because of the use of these aircraft world-wide for commercial operations and the commitment to use these aircraft in the Civil Reserve Air Fleet. Additionally, there are optional modifications available to the standard configuration of the B–747 to meet any particular requirement.

Your insert for the Committee's hearing record contains a table with a column providing your estimates of the comparison of the B–747 to the other options. It is unfortunate that the same information was not contained in the Ad Hoc Committee document. Without the inclusion of this column in the Ad Hoc Committee document, I fail to see how the B–747 could have been fairly evaluated against the C–5 and the C–17. I also found it curious that according to the GAO, there was no formal sign-off by the Members of the Ad Hoc Committee to their document which could call into question the level of concurrence by Members of the Committee.

When one does compare the columns in your table containing the B–747, it is easy to see how the B–747 not only constitutes an option, but in fact is preferable in most regards to either the C–5 or the C–17. The most clear preference for the B–747 is with regard to cost and delivery schedule. I understand that the Boeing Company has made a fixed price proposal to the Department of Defense for new B–747Fs at a price of $58 million which is in direct conflict with the $70 million price in your table. This price is in 1981 dollars which makes it consistent with the unit acquisition costs of the other options listed in the table.

With regard to the estimated 20-year operations and support cost figures, I understand that the commercial experience with the B–747s leads one to a cost estimate of $3.8 billion rather than $6.8 billion for 40 planes. The discrepancy between these figures should be easily

resolved due to the extensive experience with this B–747. Alternatively, the Department of Defense can purchase used commercial aircraft, such as the B–747s or the DC–10–30s from the surplus currently available on the market and from airlines at further cost savings to the Federal government.

In my view, the near-term shortfall in the airlift capability can be most readily achieved by buying either new or used B–747s and DC/KC–10s instead of the C–5 aircraft. I believe that a straightforward analysis will show that we can save not only $7 or $8 billion in purchase costs, but also substantial additional savings in the 20-year operations and support costs. Most importantly, there are significant budgetary savings in the next three fiscal years with this approach, and yet many more planes will be delivered in that period. A side benefit from any purchase of used aircraft is that it could assist the troubled airline industry which is having difficulty with cash flow and with meeting payments on loans held by the nation's banks.

The only justification for buying C–5s that merits any consideration is the possible need for additional outsize airlift capability. I do not believe that the congressionally mandated mobility study with its various scenarios for meeting RDF needs supports the conclusion that more outsize capability is required than can currently be met with the existing fleet of 77 C–5 aircraft. Moreover, a preliminary analysis by the GAO indicates that many citations by the Ad Hoc Committee report of the congressionally mandated mobility study, as a basis for its analysis, are in fact not contained in or substantiated by this study. Also, as the GAO has suggested, the C–5 does not really address the crucial element of our airlift shortfall for outsize equipment which is the intra-theater, austere airfield requirement. To the extent that this mission is necessary and to the extent that a follow-on aircraft to replace C–141s and C–130s is needed in the 1990s, the case for the C–17 seems clearly stronger than for the C–5.

Based on these considerations, I cannot support the sole source procurement of 50 additional C–5 aircraft when far less expensive options are available that will furnish the necessary airlift enhancement years sooner. I urge you to reconsider the pending proposal and to submit a new request to the Congress based upon the procurement of commercial aircraft currently in production as opposed to reopening the C–5 production line. As part of any new submission to the Congress, I would urge that if you propose to purchase KC–10s, that the quantity to be purchased under the existing contract accurately reflect the terms of that contract for which the fixed price expires on December 1, 1982, according to information provided by the GAO.

I hope that the Department and the Congress can work together to make the correct decision on this important issue.

Sincerely yours,

HENRY M. JACKSON.

The important thing to emphasize here is that if there is a shortfall in airlift capability, but it is for hauling the bulk and oversize equipment rather than outsize equipment, then new or used commercial widebody aircraft offer a much less expensive, demonstrably more reliable capability than the C–5 aircraft.

Also on March 19, 1982, the Subcommittee on Sea Power and Force Projection held a hearing at which I made the following statement with general interrogatories which I feel must be fully answered:

OPENING STATEMENT ON THE AIRLIFT DECISION BY SENATOR HENRY M. JACKSON AT THE HEARING BEFORE THE SUBCOMMITTEE ON SEA POWER AND FORCE PROJECTION OF THE SENATE ARMED SERVICES COMMITTEE, MARCH 19, 1982

With regard to the recently announced decision by the Department of Defense to purchase C–5s and KC–10s, I believe that there is considerable cause for the Congress to question the methodology and the wisdom of the proposal. I hope that through the hearing today we can explore with the Department and the Air Force the requirements, the costs, the schedules, and the capabilities of various options to meet the enhancement in our force projection necessary to deter a conventional threat anywhere in the world. In spite of the general need to enhance our military posture, we do not have the budgetary luxury of procuring capabilities beyond clearly defined military requirements. We must make the difficult decisions to obtain sufficient capability to meet a challenge wherever it might arise with the most cost-effective approach.

I found in reviewing the airlift decision that there were many questions which are not addressed adequately in the information made available to me. In fact, in light of the $11.8 billion in direct costs of the decision, I am surprised at the limited amount of analytic information that has been supplied to support the decision. I think the best way to highlight the doubts that I have about this decision is through interrogatories which address the fundamental assumptions on which the need for airlift enhancement must be based.

What are the necessary military capabilities to achieve adequate force projection to potential trouble spots throughout the world?

How much of the force projection should be derived from airlift and how much from sealift?

How much can prepositioning of equipment reduce both airlift and sealift requirements?

Given a defined airlift requirement, how do we optimally utilize existing inventory to meet the requirement?

What is the real shortfall in our capability under various scenarios as set forth in the congressional mandated mobility study?

How much of this shortfall can be met by Civil Reserve Air Fleet capabilities, and how much must be met by new procurement of aircraft?

How much of the shortfall is clearly in capability to haul outsize equipment?

Are there alternatives in the utilization of existing hardware which reduce the amount of outsize requirement which must be met with new aircraft procurement?

Can we meet the preponderance of the requirement for additional airlift procurement by acquisition of either new or used commercial aircraft currently in production at costs drastically below that requirement to procure new military aircraft?

I believe that a careful scrutiny of the information necessary to answer these questions will show that the need for airlift capability for outsize equipment is sufficiently limited not to warrant at the present time procurement of new military aircraft. Instead, I believe that the existing inventory of aircraft which can handle outsize equipment is sufficient in combination with prepositioning and sealift capabilities to lead to the firm conclusion that the most cost-effective way for the Nation to increase its airlift capabilities is through procurement of commercial aircraft currently in production or available from the surplus market of aircraft available from the airline industry.

I hope that my colleagues will give careful consideration to this issue because we can enhance our airlift capabilities substantially in the next three fiscal years through this avenue at a fraction of the cost. The savings to the defense budget in this critical 3-year period are too large to be ignored.

I also submitted as a part of that hearing record the following set of specific questions:

QUESTIONS FOR THE DEPARTMENT OF DEFENSE AND THE AIR FORCE ON THE FORCE PROJECTION HEARING

During testimony, the statement was made that outsize requirements for airlift capability ran to more than 40 percent and even more than 50 percent under certain scenarios. This statement is at odds with the charts in the congressionally mandated mobility study, in Chapter 7, which states in Figure 7.2 that the total outsize requirement never exceeds 22 percent of the total volume in the first 20 days of the encounter. Please explain the error in the CMMS.

Please provide for the commitee's record a detailed accounting of the forces which would be put into the field in a scenario where more than 40 percent of the hardware is outsized.

Please provide a detailed breakdown of all the equipment and the number of each item of equipment which constitutes the outsize requirement.

In the conclusions of Chapter 8 of the CMMS, the statement is made that without sufficient intra-theater airlift capability, the problem of shipment through ports to the area of operations becomes a limiting factor.

How does the current decision on airlift address this shortcoming of intra-theater requirement in the near term?

How can the near-term requirement to get outsize equipment close to the area of operations be met without a short, austere airfield capable aircraft?

The CMMS report in Chapter 9 states on page 9–3, ". . . . a C–5 restart would require reopening a line for the TF–39 engine or using an existing commercial engine."

Does the Air Force plan to use the TF–39 engine for the C–5?

If so, how much of the tooling for this engine line is still in existence?

When was the last Air Force audit of this tooling made? Submit a summary.

Give a detailed critical path chart of the engine production schedule.

If the TF–39 is not going to be used on the C–5, does the Air Force plan, as stated on page 9–3 of the CMMS, to meet their requirement of a flight test program?

If so, how long will that flight test program require?

If not, why not?

Explain why the CMMS report was wrong.

The CMMS estimate was that the C–5 restart would result in a 44-month time period prior to delivery of the first aircraft with appropriate priority and limited modifications.

What is the estimated delivery date of the first C–5?

How do you explain the difference between the time interval for that delivery with all 240 modifications and the schedule in the CMMS on page 9–4?

The chart in your submittal to me for the insert into the committee's hearing record states that the addition of 50 C–5s will provide 8.2 million ton miles per day capability. The CMMS states on page 10–7 that 44 C–5s will provide 10 million ton miles per day of capability.

Which analysis is correct?

How do you explain the error in the incorrect analysis?

On page 10–10 of the CMMS is Table 10.10 with figures in fiscal year 1982 dollars. The 20-year life cycle costs for procurement of an outsize, austere airfield capable aircraft would be between $14.8 and $18.2 billion for 10 million ton miles per day of capacity.

When this figure is compared to the figure in the table provided for the insert for the committee's hearing record, there is a disparity because the cost of the C–17 when scaled to 10 million ton miles per day is $20.7 billion in 1981 dollars.

Please explain the change in your estimates between the CMMS and the current estimates.

Please explain the differences between the prepositioning life cycle costs for 20 years for 100,000 tons of land-based equipment in Table 10.1 and the cumulative figures in Table 10.4 for prepositioning under Program A. Program B and excursion. The disparity seems too large when the different costs are allocated for one brigade of tanks—130,000 tons of resupply and ammunition and 120,000 tons for NATO support.

Testimony at the hearing for the Cohen subcommittee on March 19, 1982 indicated that the B–747 and the DC–10–30s created unacceptable problems in loading and unloading equipment.

How does this statement comport with the plans of the Air Force to use these planes as part of the CRAF program?

How does this statement square with the experience with the B–747 in the Team Spirit exercise?

Please provide any pages from the Team Spirit report which support the statements made regarding the undesirable nature of the B–747 for unloading due to the high deck.

When was the most recent audit of the C–5 tooling, both for the contractor and for major subcontractors?

What were the results of that audit report in terms of tooling that was missing or sufficiently in disrepair to require replacement?

Please provide a detailed accounting.

Under each of the scenarios in the CMMS, provide a day-by-day requirement for KC–10 tankers to support airlift requirements for both tactical air and cargo aircraft.

Do you attach any significance to the fact that the only offers received to acquire widebody aircraft from the commercial airlines were for DC–10s and that no B–747s were tendered?

For Scenario I of the CMMS, please provide a total tonnage with a breakdown as to troops, bulk, oversize and outsize equipment for the force set forth in the scenario.

Please provide a year-by-year funding profile for the C–17 on a concurrent development schedule with cumulative deliveries through fiscal year 1989.

Please provide the committee a copy of any paperwork submitted to the Department of Defense by the Project on Military Procurement, a nonprofit organization.

Isn't it a fact that the Army routinely does a breakdown of equipment so that things which are normally considered outsize are in many cases reduced in size so that they can fit in a C–141 because they are not able to know with certainty whether a C–141 or a C–5 will show up for their loading?

What does this routine practice of the Army do to the amount of outsize hardware for forces contemplated under Scenario I?

Historically, the clearance for the C–141 has been 3 inches. Recently, as considerations for the CX evolved this clearance was increased to 6 inches. If we return to the C–141 clearance of the 3 inches, what does this change, due to the outsize requirements of the Army?

Aerial refueling of the C–5 will increase its effective capability so that our existing fleet would have greater airlift capability for outsize hardware.

For each of the four scenarios, what is the increase in our outsize airlift capability, due to aerial refueling of the C–5s in our current inventory?

If the Congress were to specifically deny the use of funds for the C–5 or the CX, how would the Department of Defense propose to meet its force projection requirements? And how would those requirements be reassessed?

Your testimony during the hearing indicated that the C–5 performed admirably during the airlift for the 1973 Middle East War. However, that statement seems to be at odds with the statements in the GAO report dated April 16, 1975, on page 12 where 60 percent of the C–5s assigned to the Military Airlift Comand were inoperable each day of the airlift.

Please amplify on these points for the record.

On any given day, how many of our existing C–5s are airworthy for airlift mission?

What is the maximum number of C–5s of our existing 77 C–5s that the MAC can have available in a heightened alert requirement?

Please explain the statement on page 4 of the insert for the committee record provided to me in which it is stated that 17 more C–5s will be delivered by the end of fiscal year 1987, giving us 3.8 million ton miles per day more capability. This statement seems at odds with the

capability of 50 C–5s to give 8.2 million ton miles per day. That is, if 17 gives you 3.8 million ton miles per day then 50 should give you 11.2 million ton miles per day, not 8.2 million miles per day.

How many suppliers are there for the C–5 including subcontractors?

How many of these are qualified as sources of supply today?

Please explain the meaning of the sentence: "This effort . . . civil aircraft." Is the C–17 design being planned for use as a civil aircraft?

Does the Department of Defense plan to involve more than one contractor in the C–17 ongoing R. & D. program so that future procurement would result from a competitive bidding, or does the Department of Defense plan a single contractor with sole source procurement at the date of actual procurement?

Provide for the record the specific reference in the CMMS that recommends procurement of 10 MTM/Day of outsize airlift.

Using CMMS Scenario I Forces, provide for the record: (a) the number of days required to move only the outsize equipment with 70 re-winged C–5AH aircraft; and (b) the number of days required to move only the oversize equipment and bulk cargo using C–141B and CRAF aircraft.

The CMMS scenario showed outsize fractions ranging from 12 to 27 percent. Provide for the record your analysis which supports statements that the forces are 30 to 35 percent outsize. Provide specific listings of new equipment which will increase the outsize fraction to as high as 55 percent.

Provide for the record the analysis which shows the outsize fraction of MAC's capability is less than 20 percent. Show outsize/oversize fractions by year for the period 1982 to 1989. Include a discussion of the effect of using KC–10s to refuel C–5Hs on the outsize/oversize relationship.

What special equipment will be required to load/unload the B–747 that is not already in use to support CRAF widebodies or the KC–10?

Reference your data chart showing a comparison of KC–10, C–5, C–17 and B–747, provide backup data to support: (a) $70 million unit acquisition for B–747; and (b) $6.8 billion 20-year O&S for B–747.

In the insert for the committee's hearing record which accompanied your letter, the statement was made that, "The Air Force originally recommended the C–17 vs the C–5 when funding constraints resulted in delivery profiles that were not significantly different for the two aircraft." You also stated, "Given the opportunity to increase funding, as warranted by shortfall now, Air Force selected the C–5 because production deliveries could be made earlier than under the C–17 program.

Does this mean that if the Congress cuts the budget for airlift the Air Force will again recommend the C–17?

That is the clear indication of the statement; and given the budget constraints facing the Congress, that is the logical conclusion that one would draw from your statement.

How much increased funding in BA and BO was made available on a year-by-year basis in the DOD 5-year plan which permitted the decision to substitute the C–5 for the C–17?

Can you give us a rank ordering of the priorities of the Air Force in systems acquisitions for fiscal year 1983; specifically, where does the C–5 program rank against such other programs as the MX, B–1, ATB, F–15s, and F–16s?

When was the data for the B–747, as set forth in the table contained in your congressional insert, first prepared? Specifically, on what calendar day was that information first compiled for the table?

On what day was the other information in the table compiled?

Why wasn't the information in the table in the Ad Hoc Committee on Airlift Enhancement's report?

Inclusive of this option for the B–747, give us the detailed justification for your cost estimates associated with unit acquisition costs, acquisition program costs, and 20-year operations and support costs.

Please fairly represent the operational experience with regard to aircraft in current operations, based upon experience and not projections, and based on the same fiscal year dollars, or explain in detail why variations in this method of comparison are justifiable.

Your insert for the record states that, "Moreover, this aircraft does not offer a near-term option because training capability and the logistics support elements would have to be created to attain an operational capability."

Explain, giving specific detail, what the training period for all aircraft crew and support personnel would entail for B–747s added to the airlift fleet.

Identify specific logistical support problems that exist.

How do these problem areas differ from the B–747 in comparison to other training and support activities for other airlift aircraft?

Your insert for the record set forth 7 specific shortcomings in the B–747 which were apparently the basis for a decision not to procure the B–747. I have asked the Boeing Company to prepare a rebuttal to those stated shortcomings, and a copy of their submittal to me is attached for your further comment on any specific alleged shortcoming which you feel is in need of further explanation.

Your letter says that there will be 240 improvements incorporated in the C–5N.

Are all of these improvements contained in the Lockheed fixed price proposal?

Please provide a detailed listing of all 240 improvements, including identification of which ones are in the original Lockheed proposal.

Give an estimated cost for any changes advocated by the Air Force or DOD.

Are there further improvements which the Air Force has previously or currently identified as necessary?

If so, give a detailed listing including estimated costs for incorporation into the C–5N.

A straightforward escalation of the costs for C–5s procured in the fiscal year 1964 to fiscal year 1972 period into fiscal year 1982 dollars, including wing modification costs, results in a cost per C–5A of more than $150 million. This is approximately $20 million more than the fixed price bid for the C–5N when escalated to fiscal year 1982 dollars.

How can you have any confidence in the ability of the Lockheed Company to deliver aircraft at the fixed price stated in the unsolicited proposal given these facts?

What penalty would DOD be able to extract if, in negotiating a contract for the C–5Ns, the Lockheed Company demurred on signing a contract unless the price was adjusted for the C–5N?

What assurance can the Air Force give the Congress that the fixed price contract will be honored?

As of April 12, 1982, answers to my letter and my interrogatories and specific questions have not been provided to me. However, unsolicited letters to the Chairman of the Armed Services Committee urging support of the C–5 have been received, and a member of the committee received a computer printout of all the RDF's outsize equipment which was one of my questions submitted for the hearing record.

I believe the administration's proposed defense budget will be trimmed by the Congress to a lower rate of growth than currently contemplated. The extent of congressional willingness to support growth in defense spending will depend in part upon the perception of our colleagues as to how well this committee scrutinized the programs for their military justifications, for their priority, and for their effectiveness. Basically, we must assure our colleagues and the American people that we are getting a dollar's value for a dollar spent.

In this context, I believe the proposal to restart the production line to procure 50 additional C–5 aircraft is highly questionable as to the stated need, the stated priority, and the military capability to be derived for the high associated costs. The reason given for the proposed procurement of additional C–5 aircraft is a near-term requirement for an additional intertheater airlift capacity of 10 million ton miles/day (MTM/D) for hauling outsize equipment. This may be just the first proposed installment because the DOD presentations to the Congress claim a total requirement of perhaps 20 MTM/D of outsize capability beyond that available with the existing fleet of 77 C–5As. This would require an additional 122 C–5 aircraft for a total fleet of nearly 200 planes. The acquisition costs for 20 MTM/D in fiscal year 1981 dollars is at least $14.9 billion, and the 20-year operations and support costs are another $19.5 billion. Thus, this program of 20 MTM/D of additional C–5 capacity would cost $34.4 billion in fiscal year 1981 dollars. Toward this end, the procurement of the first 50 additional C–5s is, in my opinion, the toe in the door to buy all C–5s for meeting stated outsize airlift enhancement.

I have had my staff perform analyses of the credibility of this military requirement, and I was shocked at the hollowness of the stated need. Depending on which assumptions are used, the essence of the analyses is that either all or virtually all of our outsize airlift requirements can be met with the existing inventory of C–5s. The incremental required improvement in our outsize intertheater airlift capabilities under the most stringent scenarios does not require more than a few additional C–5s. These scenarios take no cognizance of prepositioning or early arrival by fast sealift of outsize equipment.

On March 30, 1982, the Air Force delivered another analysis of outsize cargo delivery requirements which disavows certain aspects of CMMS and which purports to set forth a case for outsize aircraft. This information claims in one scenario that there is a need to deliver 32,320 tons of outsize equipment in the first 5 days. This alleged requirement is 22 percent more than the tonnage which could be moved by a fleet equal to 199 C–5s in the first 30 days for the same war scenario as set forth in a DOD analysis delivered March 25, 1982. Thus, there was an apparent increase in the shortfall by a factor of 7 in less

than one week. On the basis of these analyses and conflicting information from DOD, I question the wisdom of the Congress approving funds for the purported outsize, intertheater airlift shortfall.

I think there are some very fundamental questions which must be answered before we start down this path of spending at least $14.1 billion in fiscal year 1981 dollars for an alleged military requirement that is so easily challenged. On March 19, 1982, in addition to my questions submitted to the Department after the subcommittee hearing held on March 19, 1982, questions prepared by the GAO were also submitted. While answers have been submitted to the GAO questions, I am informed that the answers to the GAO questions in some cases beg the question and in others raise further questions.

I commend the committee for scheduling a hearing before the bill comes to the Senate floor to establish further the validity of the alleged shortfall in outsize, intertheater aircraft and of the requested funding for the activities related to production and procurement of C–5 aircraft for fiscal years 1982 and 1983. I believe that analysis will confirm that the pressing military requirement is not for aircraft for airlifting outside equipment, but rather for bulk and oversize equipment. This proposed procurement offers an opportunity for the Congress to provide an illustrative example of how it rides herd on the Pentagon's programs.

HENRY M. JACKSON.

ADDITIONAL VIEWS OF MR. HART

I voted for this bill to give the Senate a vehicle for expressing its will on defense. Important steps remain to be taken which will cause this bill to strengthen our defenses rather than weaken them.

The bill accomplishes some objectives. For example, it deletes funds for the vulnerable "interim" basing of the MX in reconfigured Minuteman silos and, in that connection, also defers to a later date the procurement of the first 9 MX missiles. It withholds production funds for the Army's Advanced Attack Helicopter, calling to a halt an enormous cost overrun. The bill adds money for both the trainer version of the AV–8B VSTOL aircraft and the AV–8B+ fighter version, thus strengthening this important program. The strong fencing language on the MK–92 fire control system for the FFG–7 frigate (language made necessary by the Navy's refusal to carry out previous instructions from the Congress), continued insistence that the proposed DDG–51 destroyer reflect the variable payload concept, and the addition of funds to the ARAPAHO program for the Naval Reserve all help move the Navy forward.

I have a number of specific objections to the bill as written: it funds the two nuclear carriers requested by the administration; it authorizes the B–1 bomber; it authorizes production of a new generation of chemical weapons; it eliminates funding for the A–10, our only aircraft dedicated to support of ground troops; it continues several weapons systems which have proven themselves ineffective and too expensive.

But, more importantly, the bill perpetuates policy directions proposed by the Pentagon which do not lead to increased military strength. In R. & D. and procurement, they are characterized by:

Attempts to defeat the enemy at his own game, rather than changing the nature of the game to our advantage. The big carrier is a clear example. We have accepted a game in which the enemy has to hit 13—or 15, it makes little difference to him—90,000-ton targets moving at 30 knots, while we have to hit dozens of small missiles moving at up to Mach 3, each of which is trying to sink the carrier. Who can hope to win such a game—regardless of the amount of money put into the effort?

Confusion of technological complexity with quality. We are told we must buy very complex, expensive tanks, ships and fighters to maintain our advantage in "quality." But in combat, quality means weapons which are small and hard to find, easy to operate and repair, reliable under difficult conditions, and affordable in meaningful numbers. On real battlefields, filled as they are with mud, confusion, hasty maintenance and tired troops, complex weapons more often than not don't work.

Above all, current policy is characterized by a preference for what is bureaucratically comfortable over what is militarily effective. Few

naval officers, speaking in private, will argue that the Soviets will need a single new additional attack submarine or missile-equipped bomber to deal with a 15-carrier Navy, as opposed to the current 13-carrier Navy. But the Navy bureaucracy has defined its position and prestige in terms of big carriers. So we are being asked in the bill to buy two more of them—at an eventual cost, including the planned escort and aircraft, of at least $24 billion. That same $24 billion could buy, as one alternative, 20 additional nuclear attack submarines plus 140 diesel subs—virtually wiping out the Soviets' current massive advantage in submarines.

This bill, as reported, is a challenge to the Senate. It asks a question of historic importance: will the United States Senate put its seal of approval on business as usual—which is to say on putting the bureaucracy before the battlefield—or will it instead decree that the time for reform has come? The Senate must make this choice on the issue of the aircraft carrier, and on several other issues as well. The Senate can turn the situation around. The Constitution gives it the authority and the responsibility to do so.

Reform will not be easy. But it will be easier than suffering a defeat. And those may be the only choices.

GARY HART.

ADDITIONAL VIEWS OF MR. LEVIN

I must vote against reporting this legislation to the full Senate because I do not believe it adequately addresses the real military and economic threats facing this Nation in fiscal 1983 and in ensuing years.

Throughout our deliberations on the administration's fiscal 1983 defense budget request, heavy emphasis was placed on the Soviet military threat—strategic and conventional—as justification for the huge spending increases contained in this budget.

I, too, believe that the Soviet military challenge is both real and impressive. However, I also believe it is both manageable and finite, if we exercise prudence in our defense budget decisions.

This legislation embodies too little of this prudence, and instead is based on inaccurate assumptions about the Soviet threat. It also ignores the economic threats which can undermine our national security as much as inadequate military equipment, personnel and capabilities.

The people of the United States feel more than just the Soviet threat. They feel two serious challenges.

There is no question that the Soviet threat has been growing and that it must be faced by improving the military capabilities of the United States and its allies throughout the world.

However, excessive focus on this threat obscures the second threat facing us—the economic threat represented by a stagnant, deficit-starved economy in the worse recession since 1929.

And the pursuit of militarily-unjustifiable programs—costing billions of scarce taxpayer dollars—severely undercuts our ability to finance the defense programs needed to combat the real Soviet military challenge.

The bill reported out by the Senate Armed Services Committee represents the wrong way to deal with both threats, and thus, I believe it will increase our economic insecurity and decrease our military security.

The defense spending totals contained in the committee's bill reflect a dangerous misapplication of our defense resources by overemphasizing nuclear weapons programs and underemphasizing more drastically needed improvements in our conventional forces, which face a greater Soviet threat.

We should be increasing our funding for readiness-related programs, especially those relating to the combat sustainability of our Rapid Deployment Forces, and for long-overdue improvements in our ground forces. Our defense needs in these areas remain much greater than those in the strategic nuclear arena, where we still maintain significant deterrent and war-fighting capabilities.

Contrary to statements by the President, we are *not* inferior to the Soviets in overall strategic nuclear capabilities, and, if necessary, we can do much more than simply retaliate *once* against them with an all-out attack on their cities.

We will maintain these flexible strategic nuclear capabilities even without throwing good money after bad on the B–1B bomber program and an accelerated MX basing development scheme.

Yet this bill contains billions for both unwise investments. It remains as true today as it was last year that the B–1B is the wrong bomber to buy, compared to the Advanced Technology Bomber. And the committee is engaging in wishful thinking by trying to accelerate the IOC of the MX missile in a survivable basing mode. Testimony clearly indicates that such a survivable basing mode, in whatever form, will not be available before 1989, if then. Any money thrown at trying to accelerate that date is an imprudent allocation of defense dollars.

Without a survivable basing mode, the MX missile itself has no military justification.

And instead of adequately addressing less glamorous conventional readiness needs such as the Navy's growing backlog of real property maintenance, the Army's insufficient stocks of training ammunition, the decline in naval vessel steaming/training days, and the Army's inadequately funded maintenance support activities, this bill funds two nuclear aircraft carriers and super-complex F–15 fighters for air defense.

Neither the nuclear carriers nor the additional F–15s for air defense have adequate military justification to support their authorization.

Despite superior cost effectiveness by certain measures on an individual ship basis, nuclear carriers remain an unsound investment in terms of improving the overall combat effectiveness of the entire Navy.

Claims of the superior survivability of nuclear carriers are overstated, as against massed attacks of Soviet cruise missiles launched from air, surface and submarine platforms.

To maintain a survivable combat force, the Navy still needs to disperse its aircraft assets across many more, smaller, carrier platforms, which would force the Soviets to dilute their attack resources, thus increasing the probabilities that more U.S. Navy aircraft would survive to fight after the first battle.

Funds for the 38 ships included in the Navy's 5-year shipbuilding plan to form the defensive shield around these two nuclear carriers would be better spent for more offensively oriented platforms, such as additional attack submarines.

Eighteen F–15s in this bill are to be procured to modernize the air defense of the continental United States—a laudable purpose in the abstract, but one of lower priority during the present economic crisis.

The Air Force has yet to do a rigorous cost-effectiveness comparison between the F–15 and less costly upgraded F–16s, which would become available for the air defense mission later in the decade. Since the Air Force intends to deploy such F–16s with our Air National Guard for air defense purposes at that time, and since the Soviets will not have a true strategic bomber until then, these F–15s in the fiscal year 1983 budget can be eliminated.

The military dubiousness of the B–1B, the MX without a survivable basing mode, the nuclear carriers and the air defense F–15s, is exceeded by another detrimental effect these programs will have on our present and future defense capabilities.

By committing ourselves in fiscal year 1983 to the substantial investments of funds required for these procurement programs of questionable justifiability, we are creating military entitlement programs which will rob our present and future combat readiness to pay for marginally useful programs for the future.

The composition of the administration's defense program—top-heavy with these programs requiring large "up-front" funding commitments—will result in a significant reduction in the percentage of defense outlays that are "controllable" in future years. The Reagan program, as embodied in this bill, leads to a dramatic shift in defense outlay patterns from fiscal year 1981, when 72 percent of the outlays that fiscal year were "controllable," to fiscal year 1987, when 59 percent will be in this category. From fiscal year 1981 to fiscal year 1987, the percentage of outlays which are "uncontrollable" due to prior year commitments will have increased by about 50 percent.

This shift in outlay patterns will require that any future restraints in defense spending will be even more directed against readiness and sustainability programs in the relatively more controllable operations and maintenance budget, than have been previous defense budget cuts.

With the large up-front investment we are making in big-ticket procurement programs this year, any restraint in the rate of increase in defense spending through fiscal year 1987 will in all likelihood come not from canceling procurement programs in progress, but from the annual accounts in O. & M. that finance flying hours, steaming days, training days, real property maintenance and hardware maintenance. The end result will be decreased readiness.

We cannot overlook the modernization of our forces. But we should not embark on a level of modernization which cannot be sustained, and which may ultimately force us to trade-off near-term readiness to get big-ticket, gold-plated procurement programs that make a questionable contribution to our military capability.

I had hoped that Congress and the Defense Department had learned the lesson of the past 3 years that we could not continue to shortchange readiness by making false economies in the O. & M. accounts. By increasing the prospects that such false economies will occur in the future, this bill demonstrates that this important lesson has gone unheeded.

It is important to emphasize that many of us, Republican and Democrat, are not seeking cuts in the defense budget. Instead, we are seeking to restrain the level of growth in defense spending to a more reasonable, but still substantial level, as well as to reorder the priorities within that budget to better address our areas of greatest military need.

All areas of the Federal budget must be scrutinized with equal vigor. Without a convincing demonstration of real efforts at prudent, cost-effective defense investment, it only will be a matter of time before our citizens reject the sacrifices they have been asked to make.

Secretary Weinberger and Deputy Secretary Carlucci made well-publicized claims of how the management initiatives in their budget would yield some $51 billion in savings to the taxpayers between fiscal year 1981 and fiscal year 1987.

Indeed, the entire public budget hearing before our committee was a showcase for DOD to try to demonstrate how it had improved man-

agement and saved these billions, even though the defense budget had increased markedly.

Little, if anything, was said about the overall military posture and defense policies of the United States, ostensibly the normal topics addressed at our committee's first public hearing.

Closer examination of these supposed savings, however, raises serious questions about their validity.

DOD just has not proved it is serious enough about spending its funds efficiently and about seizing every opportunity to achieve savings.

In brief summary, this is what we know so far about some of the $51 billion in claimed savings:

$23.9 billion represents a pay cap imposed on all Federal agencies; no special DOD initiative to save is involved;

$1.4 billion comes from a change in retirement pay proposed by the last administration;

$1.6 billion is in cuts in consultant services which cannot be explained; and

$754 million comes from spending an additional $6.9 billion for two nuclear carriers which would not even have been purchased under past Pentagon plans.

The Pentagon's inflated claims of savings to the taxpayer are matched by those this committee has made in announcing the outlines of this legislation.

The committee claims it has reduced the administration's budget request by some $3.2 billion in budget authority and by almost $1 billion in outlays. It promises future "savings" during our considerations later this year of military construction and military pay legislation.

These claims are exaggerated, because a significant portion of these savings comes from now-unneeded expenditures requested for fuel and for buying goods and materials overseas. Plummeting fuel prices due to the oil glut, and the increasing strength of the dollar compared to foreign currencies and due to our sky-high interest rates, deserve the credit for these economies, not any actions of ours.

Just as in many policy areas, the present administration has confused rhetoric with reality—words with deeds.

It has confused throwing money at our defense problems—which are real—with actually strengthening America's military capabilities through the most cost-effective application of the additional scarce resources.

In so doing, it has set up itself and the Military Services for a terrible fall, as public disenchantment with its defense mismanagement grows. The end result will be an America weaker, rather than stronger.

Despite underfunding in important readiness areas in past years, the defense budget is experiencing unprecedented growth in *all* areas this year. In only one year since World War II, in 1952, at the height of the Korean Conflict, was a defense budget larger in constant dollars.

We can have growth in our military strength and the defense budget while, at the same time, we are making reasonable economies.

For example, permitting 3 percent real growth in the defense budget in fiscal year 1983, a respectable figure during economic adversities, not only would keep our commitments to our NATO allies (although many of them are failing to keep theirs), but it could reduce the fiscal year

1983 defense budget by almost $25 billion in budget authority and $7–$8 billion in outlays.

Equally important, failure to make such economies, will only reinforce the backlash I spoke of earlier as already growing among the American people against prudent, reasonable and needed increases to the defense budget.

Even if defense economies do not reduce the deficit by a great percentage this year, they will the next. They also are critically necessary to minimize this backlash, with its unfortunate effects on our national security.

The committee, by failing to even approve such a modest reduction in the President's defense budget to recognize both the military and economic threats to our national security, especially the economic threat, is squandering its own credibility and the consensus among the American people for justifiable increases in our defense efforts.

I cannot support such an action.

CARL LEVIN.

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